OVER EXPENDITURES

Sponsored Programs’ Policy on Overexpenditures

In keeping with the State of Colorado fiscal regulations and the Fiscal Policies and Procedures of Colorado State University, the Office of Sponsored Programs has established the following policy on overexpenditures.

Definition:
An overexpenditure exists when the actual expenditures in any project account are greater than the sponsor approved budget for that budget period and where the residual balance is insufficient at project end to cover the expenditures.

Rule:
Expenditures shall be limited to the amount of budget approved and/or granted by the sponsor within the awarded budget and budget period and must comply with all existing University and applicable sponsoring agencies’ policies and procedures. See BAFS FPI Manual, section FPI D-2 Propriety of Expenditures.

Sponsored Programs’ Procedure for Overexpenditures

- The Principal Investigator (PI) carries the responsibility for ensuring that project expenditures stay within the budget awarded by the sponsor. Accounts should be routinely monitored by the PI and the Department.
- Sponsored Programs’ staff will monitor the balances in all 5-3 fund accounts on a monthly basis (PI Manual “Financial Management, item 5).
- Sponsored Programs will provide notification to the department for accounts where expenditures exceed the budgeted amount on that account.
- During that first week of each month, the Financial Business Officer will generate an Overexpenditure Report.
- The Overexpenditure Report will be sorted by Department. Data for each Department will be put in a separate worksheet on the excel file for easy identification and printing.
- The Overexpenditure Report will be given to the Senior Research Administrator for each Team for first review.
- Teams will identify projects where more funding is known to be forthcoming and no further action will be required on these projects.
- Each account will be coded relative to future funding. Accounts that have expenses in excess of budget that are expecting additional sponsor funding will be coded OE3. Accounts that have expenses in excess of budget that are NOT expecting additional sponsor funding will be coded OE2.
- For all overspent projects, a consolidated college list will be forwarded as an attachment via email to the College Business Officer.
- Departments will be given 90 days in which to remove all overexpenditures on accounts coded OE2. Overspent accounts (OE2) will continue to remain on the list until the overexpenditure is removed or until it has reached the 90-day limit.
• Once an account reaches the 90-day limit, the College Business Officer will be notified and the account will be turned over to Business & Financial Services (B&FS) for final disposition.
• B&FS is authorized and will offset overexpenditures against the departments’ 1-3 fund accounts.