

SECTION III: ACCOUNT ESTABLISHMENT AND RECORDS

Once a grant or contract award has been received and approved, the Office of Research and Sponsored Programs (ORSP) establishes an account to maintain and administer the awarded funds based on the terms of the award document and to ensure compliance with all applicable statutes, regulations, and guidelines. Accounts are maintained in accordance with generally accepted accounting principles and cost accounting standards.

GRANT AND CONTRACT PROJECT ACCOUNTS

Funding received from grants and contracts makes up the majority of funds managed through the ORSP Trust Fund.

Types of Funding

1. Funding from grant awards
2. Funding from research and training contracts and agreements

Sources of Funding

1. Federal (direct and flow-through)
2. State
3. Local government
4. Private

Account Establishment and Administration

Once an award document has been received from a sponsor and approved by the University, ORSP establishes an account in an appropriate numeric sequence as determined by the source of funding. ORSP reviews the proposal and/or award or contacts the Principal Investigator (PI) to determine the appropriate budget categories to input a budget in the University's accounting system.

Authorization and Expenditure of Funds

For grants and contracts, in addition to all general state and federal regulations, the authorization and expenditure of funds is determined by the source of funding. These guidelines are generally found in the grant or contract award or other documentation provided by the funding source, such as sponsoring agency policy manuals. PIs are responsible for reviewing applicable guidelines for their particular grant or contract award and ensuring that all expenses are directly related to and necessary for the successful completion of the project. ORSP provides assistance, as requested, to PIs in interpretation and application of all pertinent guidelines.

Allowable Expenditures

Approved categories of expenditures and allocation of funds for each category are determined by the grant or contract award. For expenditures that are not specifically authorized in the award document, the PI must contact ORSP for determination of expenditure allowability or to initiate necessary modifications to the existing award.

Costs must meet the following criteria in order to be charged to the account:

1. Expenditures must be allocable to the project. The cost must have a direct benefit and be directly attributable to the project or activity being performed.
2. Expenditures must be allowable according to University and sponsor policies.
3. Expenditures must be reasonable and necessary for the performance of the project.
4. Expenditures must be charged in accordance with the sponsor's regulations.

5. Transfers of costs from one budget period to the next solely to cover cost overruns generally are not allowable.

PRELIMINARY ACCOUNTS

When the University has received notification that a grant or contract award will be made but an official award document has not been received, an account can be established which authorizes up to ninety (90) days of expenditures prior to the effective date of the award if pre-award costs are allowed by the sponsoring agency.

Types of Funding

1. Funds from grants and contracts for which the University expects receive an award within ninety (90) days of account establishment from sponsors that allow expenditure of funds prior to award
2. Funds from University accounts provided as backup if an award is not received

Account Establishment and Administration

The PI must submit a [Preliminary Account Request](#) form to ORSP to initiate establishment of a preliminary account. This form must include the account number that will cover the expenditures incurred against that account if an award is not received. The account is available for ninety (90) days prior to the official award date. Once an official award is received, the account is modified to account for the entire award.

Authorization and Expenditure of Funds

For preliminary accounts, in addition to all general state and federal regulations, the authorization and expenditure of funds is determined by the source of funding of the expected award. These guidelines are generally found in the grant or contract award or other documentation provided by the funding source, such as sponsoring agency policy manuals. PIs are responsible for reviewing applicable guidelines for their particular grant or contract award and ensuring that all expenses are directly related to and necessary for the successful completion of the project. ORSP provides assistance, as requested, to PIs in interpretation and application of all pertinent guidelines.

Allowable Expenditures

Approved categories of expenditures and allocation of funds for each category are determined by the grant or contract award. For expenditures that are not specifically authorized in the award document, the PI must contact ORSP for determination of expenditure allowability or to initiate necessary modifications to the existing award.

All pre-award costs must meet the following criteria in order to be charged to the account:

1. Expenditures must be allocable to the project. The cost must have a direct benefit and be directly attributable to the project or activity being performed.
2. Expenditures must be allowable according to University and sponsor policies.
3. Expenditures must be reasonable and necessary for the performance of the project.
4. Expenditures must be charged in accordance with the sponsor's regulations (including the certification of effort) and the authorized pre-award budget (as requested in the form).
5. Transfers of costs from one budget period to the next solely to cover cost overruns generally are not allowable.
6. Pre-award costs must be incurred within the time frame allowed by the sponsor. For example, most federal agencies allow institutions to approve pre-award costs within ninety (90) days of the award's effective date. Costs in excess of ninety (90) days require sponsoring agency approval.

FEES ACCOUNTS

ORSP is authorized to collect fees related to training or public service programs provided by authorized centers, institutes, faculty members, and activities related to specific sponsored agreements.

Types of Funding

1. Fees generated for training or other services as described above
2. Funding from agreements for consulting services for non-specified amounts

Account Establishment and Administration

The Center or Institute Director or PI shall provide a written request for account establishment with a complete description of the activities that will generate revenue. Copies of schedules and announcements should be provided to ORSP as produced and published.

Agreements for services related to a fees account must be reviewed by ORSP and signed by the University's authorized representative. Agreements for services where the total amount of fees generated is not known at the time the agreement is executed will be handled on a case-by-case basis.

Authorization and Expenditure of Funds

For fees accounts, in addition to all general state and federal regulations, the authorization and expenditure of funds are determined largely by the nature of the project and purpose of the specific expenditure in support of that project by the source of funding. PIs are responsible for reviewing the requirements of the specific events related to the overall account and ensuring that expenses are directly related and necessary to the successful completion of the event and/or project.

Allowable Expenditures

For all expenditures that are not normally allowable within state limitations, the PI must contact ORSP for determination of expenditure allowability or to initiate necessary documentation to substantiate the purchase or fund authorization prior to commencement of the project or event.

DEVELOPMENT ACCOUNTS

Development Accounts are used to facilitate the growth of research projects and/or faculty professional development.

Types of Funding

1. Residual funds from fixed-price agreements
2. F&A (indirect) cost distribution

Types of Accounts

Centers and Institutes: When an extramural award is received under the aegis of a Center or Institute, the shared F&A costs and/or residual cash balance (cash balance after all direct and F&A costs have been charged and final payment from the sponsor has been received) will be placed in a discrete Center or Institute development account. Any expenditure from this account must directly benefit the development or growth of the Center or Institute. In the event a new director is named for the Center or Institute, the account and its balance will remain with the Center or Institute.

Colleges and Departments: Based on the [F&A distribution schedule](#), colleges and departments may share F&A recovery costs. These costs are deposited into a development account for the college and/or department to which the PI is assigned. Any expenditure from this account will directly benefit the development or growth of research projects within the College or Department. The responsible person(s) for the accounts are the Dean of the College and the Chair of the Department.

Principal Investigators: In cases where an award is received by a PI not associated with a Center or Institute, the shared F&A costs and/or residual cash balance (cash balance after all direct and F&A costs have been charged and final payment from sponsor has been received) will be placed in a discrete, individual account to be utilized by the PI as long as he/she is an employee of the University. [In no case will these funds be utilized to supplant salaries received for regularly assigned work or reassign effort from regularly assigned work.]

Account Establishment and Administration

All development accounts are automatically established by ORSP when appropriate sources of funds have been identified or concurrent with normal distribution of indirect revenues or residuals from regular contract and grant accounts.

Authorization and Expenditure of Funds

The rules related to authorization and expenditure of these funds are generally the same as the rules for all other ORSP-managed funds. However, funds in these accounts are not generally tied to or constrained by external grant or contract stipulations. As these accounts are more closely aligned with "revenue" accounts than with E&G and/or restricted funds within the Contract and Grant (C&G) category, more leeway and flexibility should be applied in the review and approval of transactions throughout the University. While expenditures must remain in compliance with Florida Statutes, they are not subject to the requirement in grant and contract accounts for budget approval by a funding agency for a specific expenditure.

Allowable Expenditures

Any type of expenditure that is related to the development and administration of research and to the professional development of faculty generally is allowable. Examples of allowable expenses by account category are listed below, but the list should not be considered to be limited only to those shown. Case-by-case review and approval by ORSP may be obtained for other expenditures.

1. Summer salary for faculty
2. Supplemental compensation for faculty for research effort
3. Student or OPS wages
4. Travel related to professional development or research development
5. Food: meals and refreshments for events supporting research or professional development, contingent upon prior approval by the Florida State Comptroller's office
6. Equipment
7. Memberships and subscriptions
8. Supplies

For College, Departmental, and Center Development Accounts only: Reassignment of faculty research and/or instructional time for research purposes or match to grant, contingent upon approval of appropriate administrator, i.e., dean or vice president.

GRANT FILES

ORSP has the responsibility for keeping the official record of grant activity and does so by maintaining a grant file for every account administered through its trust fund. An active grant file, at a minimum, contains the following documents:

1. A complete copy of the proposal
2. The award document and any amendments with original signatures
3. The internal routing form for the proposal with original signatures

4. A copy of the notification of the project account number
5. Accounting/fiscal transactions including budget information, personnel forms, and ledgers
6. A copy of all pertinent correspondence, invoices, and required reports

These files are retained in accordance with federal, state and agency-specific guidelines.