



Section 500: Award Management

OSR Policy 500.2 — Departmental Responsibilities in Award Management

Responsible Officer: Director
Responsible Unit: Award Management
Effective date: July 1, 2008
Last revised on: March 20, 2008

Policy Statement

The department receiving the sponsored research award is responsible for the daily management and administration of the related accounts. This requires closely monitoring expenditures to assure that the terms and conditions of the award are being followed and that funds are being expended in accordance with [OMB Circular A-21](#) requirements for allowability, allocability and reasonableness, and in accordance with University policies.

It is the dual responsibility of the Principal Investigator (PI) and the Department Administrator (DA) to monitor and approve all expenditures related to the sponsored project. Any unallowable expenditures or deficit account balances become the responsibility of the administering department to pay from another departmental account and not from a sponsor award account.

The original records and supporting documents of expenditures should be maintained by the department for three years.

Once the award is established in RAMSeS, departmental administrators are responsible for reviewing the award document, reconciling it with the information on the Financial and Budget Monthly Report (FBM 090/91), and communicating any corrections or inconsistencies to the Office of Sponsored Research (OSR) [Data Management](#) division.

Account transactions must adhere to the attributes, [structure](#), and accounting methods established by [University Accounting Services](#), and display account numbers accordingly on forms for routing, approval, and electronic data processing.



Departmental administrators are requested to:

I. Conduct Review of Award Documents

1. Identify restrictions.
2. Note reporting requirements.
3. Check for purchasing/spending authorizations under the award terms and conditions.
4. Initiate and maintain current financial information in FRS.

II. Set-up the Award Account for Expenditures

1. Prepare personnel transactions upon assignment of an account number. Include personnel information that affects salary, such as salary caps, cost sharing, rate of pay compensatory to amount of full time effort (FTE), etc.
2. Create tracking for direct costs, F&A costs, sub awards, and consultant expenditures.
3. Establish deadlines for financial, progress and technical reports.
4. Monitor spending, IPAS and prior approval requirements in light of the award funding.
5. Communicate regularly with those responsible for project activity to prepare requirements in a timely fashion.
6. Handle transactions and reconciliations by anticipating end-of-budget periods and other changes.

III. Use a Shadow System to Monitor Financial and Programmatic Transactions throughout the Life of the Award

1. Perform cost transfers.
2. Perform budget revisions.
3. Compare and balance award expenditures using FRS monthly reports.
4. Circumvent unallowable expenditures and overdrafts.

Reason for Policy

Providing such general responsibilities clarifies expectations and specific tasks of award management that are ascribed to Principal Investigators and Departmental Administrators.

Exclusions/Exceptions

Sponsored research often generates program income, such as fees for laboratory services, conference fees, third-party patient reimbursements, etc. Treatment of program income varies by agency. Thus, the appropriate Award Manager should be notified in cases where program income is foreseeable or accumulates to establish the proper accounting method to maintain such income in accordance with federal requirements.

Procedures and Related Policies

Because award funding involves various aspects, it requires many systems to manage the data generated from it. The University provides systems at the departmental level to help manage accounts in connection with the University's Financial Record System (FRS). Other University systems used for award data (for which training is available) include:



[RAMSeS](#) (Research Administration Management System and electronic Submission) — The tracking and reporting system for sponsored research from proposal stage through closeout.

[Finance Central](#) — (University Accounting Training) — Used in conjunction with FRS. Online modules assist in training newcomers in the various accounting systems and procedures at UNC Chapel Hill.

Establishing a shadow system for monitoring sponsored award elements is key in providing the current information referenced frequently for award requirements throughout the life of the project. The following procedure defines several components of a solid departmental shadowing system:

- [OSR Policy 400.3, Pro. 1](#) *Establishing Shadow Systems for Sponsored Awards*

OSR Research Tool Kits

None.

Contacts

Questions and concerns can be submitted online at [Ask OSR](#) or by using the [OSR staff directory](#). Within [RAMSeS](#), the “*Speak to Someone*” option assists in locating the staff member best suited to address project-specific issues.

References

 [Research Administration Glossary at Carolina](#)

1. OMB Circular A-21, *Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements with Educational Institutions*.

Revision History

Prior Revisions: The policies in the *Office of Sponsored Research Policies & Procedures Manual* supersede any OSR policies, procedures and appendices previously included in the *University Business Manual*, a publication of UNC Chapel Hill’s [Division of Finance](#).

