



# TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

## Operating Policy and Procedure

### **HSCEP OP: 65.03, Sponsored Program Fund Management**

**PURPOSE:** The purpose of this Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso) Operating Policy and Procedure (HSCEP OP) is to establish the requirements for managing sponsored program and clinical trial accounts.

**REVIEW:** This HSCEP OP will be reviewed May 15 of every odd-numbered year by the director of Contracts and Grants Accounting (CGA), the associate managing director of the Office of Sponsored Programs (OSP), and the executive director of Business Affairs, with recommendations for revisions submitted to the vice president for research and the chief financial officer by June 1.

### **POLICY/PROCEDURE:**

#### **I. Departmental Responsibilities**

A. Departments are responsible for the fiscal management of awarded projects. Principal Investigators (PIs) and/or other designated departmental personnel should monitor project funds to ensure the following:

1. Budgets are accurate and updated appropriately.
2. Revenues have been received and are recorded according to the grant guidelines.
3. Project funds are available as needed.
4. Project costs are managed according to the grant guidelines and comply with HSCEP OP 65.04.

B. Departments are responsible for monitoring all project fund activity throughout the term of the grant or contract and no less frequently than monthly.

1. For budget errors, a budget revision should be submitted through the Budget Revision System. These revisions will be routed to OSP for approval.
  - a) Budget adjustments which do not require sponsor approval should be submitted within 10 business days of the discovery of the error.
  - b) Budget adjustments requiring sponsor approval should be submitted within 10 business days after receiving sponsor approval. Documentation of sponsor approval should be submitted with the budget revision.
2. For expense errors, a cost transfer should be submitted.
  - a) Cost transfer requests are due within 90 days from the original expenditure date. Cost transfers may be processed using the Financial Transaction System (FiTS). For cost transfers involving a reclassification of the account code or a cost incurred in a prior year, a manual cost

transfer form must be completed accordingly per HSCEP OP 50.18 and submitted to CGA since these types of cost transfers cannot be processed in FiTS.

- b) At fiscal year-end, all cost transfers must be received by CGA in compliance with HSCEP OP 50.30 regarding year end deadlines.
- c) Cost transfer requests will be denied if sufficient supporting documentation and an explanation justifying the benefit to the grant for the costs being moved is not included.

## II. Office of Sponsored Programs Responsibilities

- A. OSP will review all budget revisions to ensure compliance with sponsor guidelines.
- B. OSP will verify all project extensions and communicate any project date changes to CGA.

## III. Contracts and Grants Accounting Responsibilities

- A. CGA will review all cost transfers to ensure compliance with HSCEP OP 50.18.
- B. CGA will review all budget revisions to ensure compliance with sponsor guidelines.
- C. Controls exist within the financial system for grant funds to assist in monitoring budget, beginning and end dates, and indirect cost (IDC) percentages. However, ultimate responsibility for all grant activity lies with the fund manager and his/her delegates.
  - 1. Budget controls will alert CGA or the online system user when costs in excess of budget are being processed. These costs cannot be processed without CGA and Budget Office approval. Such costs will need to be applied to the backup fund provided in the new fund request unless a budget revision is submitted.
  - 2. Grants beginning and end date controls will alert CGA or the online system user when transactions outside the project period are being processed. These transactions cannot be processed without CGA and OSP approval. Such costs will be applied to the backup fund provided with the new fund request unless documentation is provided showing sponsor approval of costs outside of the grant period.
  - 3. IDC percentages will be charged by the system according to the information provided in the new fund request documentation. CGA should be notified immediately by the department if IDC is not being charged or if an incorrect IDC percentage is being applied.