Grants - Spending Authority

Procedure #: 600.080
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1.0 Introduction

A. Grants are awarded to The Citadel for work to be conducted under the supervision of a Principal Investigator. The Principal Investigator is generally a faculty member.

B. The Principal Investigator generally submits a budget along with the grant application. In the budget the faculty member explains how the funds will be spent.

C. Different grantors have different rules with respect to rebudgeting grant funds. The Citadel expects that Principal Investigators are familiar with the terms and conditions of their grants. The Grants Accountant can assist Principal Investigators in determining the rebudgeting requirements when rebudgeting is needed. It is the Principal Investigator who must seek permission for the rebudgeting, if required. All approvals for rebudgeting must be received in writing and a copy provided to the Grants Accountant who will put the approval in the grant folder.

D. A Purchase Authorization form is required for grants purchases $500 and over. The form must be signed by the Principal Investigator and the Department Head before sending to the Office of Research and Grants (ORG) for approval. Failure to complete the form before purchasing will result in not receiving reimbursement for the items purchased.

2.0 Duties of a Principal Investigator

A. Principal Investigators are aware of the items requested in a grant application. They are responsible for proper completion of the grant and have the professionalism to make every attempt possible to complete the grant, making any adjustments in actual items to be bought as the situation dictates. The Principal Investigator is responsible for the proper spending of grant funds. The Principal Investigator should understand the concept of the action to take when funds are awarded and to make adjustments to items noted in the grant application.
B. It is the Principal Investigators responsibility to send any questions concerning the proper spending of funds to the Grants Accountant prior to making an expenditure which might be questionable if an outside person reviewed the spending on a grant.

C. The Grants Accountant can be valuable resources with questions related to allowability of expenses or rebudgeting. The Principal Investigator should contact the Grants Accountant if there are any concerns about the appropriateness of a transaction.

D. The Principal Investigator should seek assistance from the Grants Accountant in order to assume that the following transactions are appropriate for grants:

1. Cost transfers to a grant must always be well documented. If a cost was not initially charged to a grant, then College policy requires certain steps be taken and documented in order to confirm the cost transfer to the grant is appropriate. (Please see the "Cost Transfer "policy.)

2. Spending at the end of a grant period. Grants, especially federal grants, are provided for specific projects and the work is to take place during the approved budget periods of the project. In most cases, when a project is closing down, especially a multi period project, spending during the last 90 days of the project should generally be limited to closing down the grant and publishing the results. Buying a year's worth of supplies in the last month is inappropriate, since only the expenses related to the actual budget period are allowable on federal grants. Buying equipment, whether major to minor equipment during the last 90 days would be unique, since federal rules anticipate that the equipment should be bought for the specific project, and the necessity for buying in the final months is suspect.

The message the federal government sends is: "Charges for grants need to be for expenses incurred during the budget period. Spending at the end of the grant can be viewed as an inappropriate activity designed to use up available grant funds resulting in expenditures on the grant for something other than the grant during its budget period. If a grant activity continues after the grant ends, it is up to another funding source to support the activity after the final budget period ends."

3.0 Rebudgeting

Federal regulations require that charges to federal grants and contracts be "reasonable, allowable, and allocable". Grants are awarded to The Citadel for work to be conducted under the supervision of a Principal Investigator. The Principal Investigator is generally a faculty member.
The Principal Investigator generally submit a budget along with the grant application. In the budget, the faculty member explains how the funds will be spent. Different grantors have different rules with respect to rebudgeting grant funds. The Grants Accountant can assist Principal Investigators in determining the rebudgeting requirements when rebudgeting is needed. It is the Principal Investigator who must seek permission for the rebudgeting, if required. All approvals for rebudgeting must be received in writing and a copy provided to the Grants Accountant who will put the approval in the grant folder. The Citadel expects that Principal Investigators are familiar with the budget requirements of their grants. The College does not review grant purchases to determine if the Principal Investigator is following grant terms.