

**GUIDELINES FOR REVIEW OF EXPENDITURES
ON RESTRICTED (5-LEDGER) ACCOUNTS
UPTOWN CAMPUS**

Sponsored Projects Administration (SPA) and Grants and Contracts Accounting (G&C) will review **only** the expense types listed on Attachment I for restricted (sponsored projects, or 5-ledgers) accounts. Note: this policy does not apply to private donation accounts (the “Z” account designation for 5-ledgers) that are managed by the University Development Office.

We do not review expenses such as laboratory supplies, minor equipment, Coordinated Instrumentation Facility services, laundry/linen services, demurrage, cellular and beeper expenses, books and subscriptions, operating supplies, computer time, data processing, dues and memberships, hardware maintenance, and Fed Ex, etc.

Some of the features of the procedures for expenditure review are:

- Periodic, post-expenditure audits will be performed by SPA and G&C to ensure that departments are in financial compliance with sponsor regulations.
- SPA and G&C have been granted authority to transfer erroneous or unallowable costs onto unrestricted accounts identified by the departments.
- Department chairs will be asked to provide a default unrestricted account number for use in the event that erroneous or unallowable charges must be removed from a restricted account. Otherwise, the departmental account of the PI’s primary appointment will be used.
- In the event of inconsistent findings of accounting irregularities or noncompliance, some projects may be recommended for continued pre-audit and approval by SPA or G&C.

To ensure the success of these procedures, the PI and/or departmental administrators should make certain that:

1. Expenditures are appropriately coded
2. The expense is allowable under the project to which it is being charged and consistent with Tulane policy
3. Funds are available in that line item of the grant or contract budget and
4. Purchases are not made at the end of a project period just to expend remaining balances. Investigators are reminded that stockpiling is not an allowable practice or appropriate use of federal funds.

It is important for departments to be well informed and vigilant about federal regulations regarding unallowable costs on sponsored projects. The relevant Tulane policies are:

1. *Procedures for Charging Expenditures to Federally Sponsored Programs*
2. *Quick Reference for Charging Expenditures, Direct Versus Indirect Costs*
3. *Consistent Treatment of Costs*
4. *Policy on Retroactive Adjustments and Financial Closeout of Sponsored Projects*
5. *Policy for Unallowable Cost Categories*

All of the above policies and federal regulations (e.g. OMB Circular A-21) can be accessed at the following website: <http://tulane.edu/asvpr/ora/policies.cfm>

Please note that some projects may be ineligible to participate fully in the streamlining procedures due to special sponsor restrictions. We will work with the departments on a case-by-case basis to determine whether project expenditures will require more oversight by G&C Accounting.

Should you have questions about these new procedures, please do not hesitate to contact Sponsored Projects Administration at 865-5272 or Grants and Contracts Accounting at 865-5581.

ATTACHMENT I

RESOURCE GROUPS TO BE REVIEWED BY SPONSORED PROJECTS ADMINISTRATION	EXPENDITURE TYPE
Salaries and Wages <ul style="list-style-type: none"> • Staff Personnel Requests, PAF's, etc. 	All expenditure types for salaries and wages
Equipment (items costing \$2500 and over)	All expenditure types for equipment
Subcontract expenses	All expenditure types for subcontract expenses

RESOURCE GROUPS TO BE REVIEWED BY GRANTS AND CONTRACTS ACCOUNTING	EXPENDITURE TYPE
Consultants	All expenditure types for consultants
Travel	All expenditure types for travel
Financial Aid/Tuition/Trainee Costs	All expenditure types for Financial Aid/tuition/trainee costs
International Living Expenses	All expenditure types for International Living expenses
International Operating Expenses	All expenditure types for International Operating expenses
Cost Sharing Funds Transfers	Cost sharing expenditure types 8421, 8423
Renovations & Alterations	Expenditure type 7127
Supplies & Expenses <ul style="list-style-type: none"> • All animal related expenses 	<ul style="list-style-type: none"> • One time approval for all animal related expenditure types
Other <ul style="list-style-type: none"> • Job Orders • Special Studies • Temporary Employees • Insurance • Participant support costs • Rentals- dormitory rooms • Rentals- real estate 	Other expenditure types <ul style="list-style-type: none"> • Job Orders 7126 • Special Studies 6721 • Temporary Employees 7461 • Insurance 7313 • One time approval for Participant support costs 6342 • One time approval for Dormitory rooms 6813 • One time approval for Real estate 6812

ATTACHMENT II

Tulane forms used for transactions that do not require review by Grants and Contracts Accounting or the Sponsored Projects Administration should be directed in accordance with the chart below.

Form	Send to
Pay-to Request	Accounts Payable
Quick Check Request	Accounts Payable
Interdepartmental Orders	Accounting: send to Accounting after obtaining signatures from the department rendering service (e.g. Print Shop, Bookstore, Library, etc.)
Requisitions	Purchasing