

Date: January 17, 2002


To: All Oregon Health & Science University Principal Investigators


Subject: Management of Sponsored Projects (Grants and Contracts)

In April 2002, OHSU and Sponsored Projects Administration (SPA) will implement a new financial system to allow for more effective management of our grants and contracts. This system will provide a more accurate and timely accounting of the spending on grants and contracts (through the use of encumbrance accounting), as well as allow direct access to all of the information about individual grants and contracts. In addition, this new system, Oracle Grants Accounting (OGA), will provide OHSU the tools to enforce our current business practices and maintain compliance with federal grant and contract regulations and sponsor guidelines. Specifically, OGA will help OHSU enforce the following already existing OHSU business practices. **It is now imperative that you are aware of these and adhere to them at all times.**

- **Overspending on sponsored project accounts is NOT allowed (OHSU Policy No. 04.40.005).**
 - Spending from one non-competitive segment to another is only allowed within 90 days prior to the start date of the next non-competitive segment
 - Spending after the project end date of an award is NOT allowed
 - Spending in excess of the award budget is NOT allowed
 - Spending in excess of cash received on a clinical trial will only be allowed with SPA approval
 - Spending 90 days prior to the award date of a new award is allowed. If an account is setup and you are allowed to spend 90 days prior, and the award is not received, the account will be disabled and you and your department will be responsible for reimbursement of the costs incurred.
- **Proper charging of costs to grants and contracts (OHSU Policy No.04.40.001). The following administrative costs are typically NOT allowed to be charged directly to grants and contracts:**
 - Clerical salaries
 - Office and administrative supplies
 - Memberships in professional organizations
 - Duplicating and copying
 - Postage
 - Books, periodicals and subscriptions
 - Telecommunications (line and equipment charges)
- **Proper closeout of grants and contracts (See SPA Account Closeout Checklist). At the end of your grant or contract period you and your department are responsible for the following:**
 - Transferring payroll off account
 - Transferring overdrafts (as discussed above)
 - Transferring administrative costs (as discussed above)
 - Transferring unpaid invoices
 - Transferring open Purchase Orders
- **Cost Transfers can only take place under certain circumstances (OHSU Policy No. 04.40.003).**
 - Not allowed after 90 days from original date of charge hitting account
 - Must be well justified and not just for funding convenience
 - All efforts should be made to charge costs appropriately up front
 - Cost transfers are NOT allowed to move deficits from one account to another
- **No-cost extensions MUST be requested prior to the project end date.**
- **Technical Progress Reports and Final Invention Statements MUST be submitted on time.**

As an investigator on a sponsored project awarded to OHSU it is your responsibility to abide by the policies, procedures and regulations governing these awards. **Failure to do so will result in revocation of your ability to apply for grants and contracts through OHSU and/or disabling of spending activity on your current accounts.** More detailed information on the items discussed in this memo and all other applicable policies, procedures and regulations, can be obtained from the [SPA web page](#) or from further discussion with Lynette Arias, Director, Sponsored Projects Administration – ariasl@ohsu.edu or 494-1193.


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