



Ohio Administrative Code

Rule 3352-7-24 Overexpenditures, disallowances, and uncollectible receivables on sponsored program accounts.

Effective: May 31, 1999

(A) Responsibility for expenditures and accounts receivable.

(1) Expenditures. Principal investigators are responsible for monitoring expenditures on sponsored program accounts in order to verify the appropriateness of expenditures and to ensure that these accounts are not overspent. College/school business officers are responsible for expeditiously resolving direct cost overexpenditures and/or disallowances on sponsored program accounts. The office of research and sponsored programs is responsible for monitoring sponsored program accounts so that accounts which are fully spent and/or expired can be frozen or closed.

(2) Accounts receivable. The office of research and sponsored programs is responsible for invoicing or otherwise requesting funds from sponsors who have incurred payment obligations under externally funded agreements.

(B) Review procedure.

(1) Sponsored program accounts. The office of research and sponsored programs will review accounts on a monthly basis and will freeze or close, as appropriate, those accounts that are fully spent and/or expired. If an account is to be closed or frozen prior to the end date, the office of research and sponsored programs will notify the college/school business officer.

(2) Departmental/college/school overexpenditures and disallowances. The office of research and sponsored programs will follow up with college/school business officers on a quarterly basis to ensure the successful and timely resolution of sponsored program overexpenditures and disallowances. Failure to resolve such overexpenditures and/or disallowances in a timely manner (usually six months) will result in the transfer of the overexpenditure and/or disallowance charge to the unrestricted budget of the responsible department. However, any portion of the facilities and administrative cost that is greater than the originally budgeted facilities and administrative cost will be canceled.



(3) Uncollectible receivables.

(a) The office of research and sponsored programs will follow up with sponsors on a monthly basis in cases of nonpayment of legitimate obligations. This follow-up will be in the form of past due invoices/statements, collection letters, and/or phone calls. In cases where payment has not been received within a reasonable period (three months for interim billings; six months for final billings), the office of research and sponsored programs will refer the matter to the office of student loan collections and/or the office of general counsel for appropriate action (for example, arbitration, referral to a collection agency, legal action), and the budget for the account will be correspondingly reduced.

(b) If this action results in the account showing an overexpenditure, and responsibility for the nonpayment lies with the principal investigator (nonperformance), the overexpended amount will be handled as stated in paragraph (B)(2) of this rule. If the nonpayment is entirely due to sponsor inaction (for example, bankruptcy), the office of research and sponsored programs will refer the matter for resolution to the associate provost for research.

(C) Appeals. Transfer of overexpenditure or disallowance charges to a departmental account may be appealed to the provost. The appeal should be submitted by the college/school dean, along with an explanation of why the charge(s) should not have been transferred to the department.