**Financial Accounting and Reporting**

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**Statement Title:**

**Approval Date:**

**Revision Date(s):**

**Statement Owner:**

**Approved By:**

**Contact Department:**

Principal Investigator Statement of Responsibility

March 31, 2020

Manager, Restricted Funds

Controller & Executive Director, Financial Accounting & Reporting

Research Finance

Financial Accounting and Reporting

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**OBJECTIVE:**

To ensure effective administrative policies and procedures are clearly articulated for faculty conducting funded research activities taking place at the University of Windsor, and that roles of all principal investigators are clearly outlined.

**STATEMENT:**

Effective financial management is expected and required of all Principal Investigators conducting research at the University of Windsor. Accountability of these research funds is demonstrated by ensuring the following:

**A:** **FINANCIAL PLANNING**

1. It is required that all Principal Investigators plan, allocate and distribute their expenditures in a manner which will provide for reasonable completion of their project within the financial limits and time constraints of the award.
2. Principal Investigators must ensure eligibility of all budgeted expenses in accordance with University policies and procedures as well as any funding agency specific policies.
3. Budget development should be a dynamic process with support from the Office of Research and Innovation Services (ORIS) and Research Finance as required. Budgets to be submitted with funding applications should be shared with the ORIS at least five (5) business days prior to the agency/sponsor deadline, unless the office has announced an earlier internal deadline. Such requirements are detailed in the [Submission of Proposal Documents by Principal Investigator Policy](https://lawlibrary.uwindsor.ca/Presto/content/Detail.aspx?ctID=OTdhY2QzODgtNjhlYi00ZWY0LTg2OTUtNmU5NjEzY2JkMWYx&rID=MTQ2&qrs=RmFsc2U=&q=KFVuaXZlcnNpdHlfb2ZfV2luZHNvcl9DZW50cmFsX1BvbGljaWVzLkFwcHJvdmVyPSgiUmVzZWFyY2ggJiBJbm5vdmF0aW9uLCBWUCIpKQ==&qcf=OTdhY2QzODgtNjhlYi00ZWY0LTg2OTUtNmU5NjEzY2JkMWYx&ph=VHJ1ZQ==&bckToL=VHJ1ZQ==&rrtc=VHJ1ZQ==). Budgets should include contingency planning where possible.

**B:** **DELEGATION OF FINANCIAL AUTHORITY**

1. ***Incurring Expenses:***
2. The Principal Investigator (PI) may permit contributors to charge expenses to their grants by approving the contributor as a Project Team Member. These individuals may incur expenditures within the PI’s award or contract and the PI’s are responsible for documenting the authorization in accordance with the funding agency’s guidelines.
3. ***Approving Expenses:***
4. The PI is responsible for approving all financial transactions charged to their grant. The PI may choose to delegate this authority to another individual, the delegate. This delegate serves as the PI’s representative and the PI remains ultimately responsible for the actions of the delegate. For this reason, the PI must choose a capable delegate with the knowledge, experience and judgment to fulfill the PI’s obligations. In the financial information system, each PI may have only one delegate and only PI’s are permitted to delegate authority.

**C:** **FINANCIAL TRANSACTIONS**

1. The Principal Investigator or their delegate approves expenditure requests, including hiring research personnel, purchase requisitions, for travel and hospitality, goods and services, including internal or credit card charges, and remuneration. The Principal Investigator or their delegate ensures that expenditures comply with University policies and procedures and the requirements of the sponsoring agency and that the activities are eligible costs under the guidelines for the award or contract and have been approved in the budget submitted to, and approved by the sponsor.
2. The Principal Investigator ensures that all expenditures have supporting documentation to ensure the accuracy of the expenditure incurred and its connection to the research being undertaken. Where the documentation in support of the expenditure is retained outside of the financial information system, the Principal Investigator ensures that campus-wide documentation requirements are adhered to. The Principal Investigator is responsible to ensure the committed or actual expenses are charged to the appropriate Grant Account, are necessary to the research endeavour being undertaken, and that there are enough funds in the grant account to fund the transaction(s).

**D:**  **FINANCIAL MONITORING**

1. The Principal Investigator ensures constant supervision and monitoring of the grant funds by reviewing the monthly accounting statements provided by Research Finance and identifying and reporting any discrepancies, errors and inconsistencies to Research Finance.
2. The Principal Investigator is responsible for identifying a need for an extension of a grant term or deferral of grant funds. A request for an extension of deferment is to be requested through ORIS by the Principal Investigator. For externally funded grants, approval for the extension or deferral will be sought by the ORIS and all requests will be coordinated with the respective funding agency. For internally funded grants, extension of grant terms must be approved by ORIS and/or the internal department which provided the research funding.
3. The Principal Investigator is responsible for management of multi-year budgets to ensure costs incurred are consistent with the research program and the budget approved by the funding agency. Over expenditure against budget within a single year of a multi-year grant may be permitted on a case by case basis when the next year’s funds are reasonably assured, and the Principal Investigator is able to provide a plan for balancing the budget within the next year. Any request for such an over-expenditure should be directed to Research Finance.

**E:** **FINANCIAL REPORTING**

1. The Principal Investigator will receive a notification of award from the funding agency and will provide all documentation regarding the award and reporting requirements to the ORIS. ORIS will process the Request to Open a Grant account and will communicate all necessary information to Research Finance. The Principal Investigator is to remain aware of all upcoming reporting deadline, both financial and progress reporting. The Principal Investigator reviews and approves all financial reports prepared by Research Finance, as required by the sponsor, in a timely manner. All financial statements, reports, and invoices must be submitted to the research sponsors by Research Finance after review and approval of the Principal Investigator. All progress reporting will be required to be generated by the Principal Investigator who is also responsible for submitting the Progress Reports to the sponsoring agency.

**F:** **OVER-EXPENDITURES**

1. Principal Investigators are accountable and responsible for all deficits resulting from over expenditures, expenses deemed ineligible by the sponsor or for failure of the Principal Investigator to comply with the rules and regulations of the sponsor or the policies and procedures of the University. The Principal Investigator is proactive in addressing any instances of overspending either through the transfer of expenditures to other open grants, or by working with the Department Head and/or Dean.

**G:** **POLICIES AND PROCEDURES**

1. Principal Investigators must know, understand and apply all applicable policies and procedures of the University and of the sponsor. When a Principal Investigator is not clear on the eligibility of a planned expenditure, it is their responsibility to discuss with the office of Research Finance prior to the expenditure being committed or incurred. Where an agency’s rules and regulations are unclear, it is the responsibility of the Finance Department to provide an interpretation and/or contact the funding agency as required. Where there is a difference between the policies of the University and the sponsor, the more stringent requirement will be followed.