This standard operating procedure is designed to assist Radiology Department Administrators (DAs) to proactively manage and monitor sponsored project funds. Department Administrators are delegated the day-to-day financial monitoring of expenditures to ensure compliance with sponsor requirements and Partners/MGH policies. The Department Administrator (DA) and Principal Investigators (PI) should review the Insight expenditure report for sponsored projects monthly to ensure all activities and transactions are allowable on the project fund to ensure better internal controls to help:

- Decrease the number of cost transfers
- Budget forecasting
- Avoid cost overruns
- Effort certification reporting
- Request sponsor approvals as necessary (e.g. No-cost-extension, award modifications)

**Responsibilities Requirements**

The Principal Investigator (PI) is responsible for monitoring the budget to ensure that only authorized expenditures are charged to a sponsored project. It is the PI’s responsibility to work with their Department Administrator to manage funds responsibly.

**The Systems**

DA’s need to be familiar with the following Partners management systems in order to track and report sponsor project funds:

- **InfoEd**: All proposal and award demographic and budget data are entered here (e.g. at proposal stage by the DA). Documents that pertain to the award are kept here including agreements, proposal, and prior approval forms etc. Project deliverables are created and comments are entered via InfoEd by individuals including, pre-award, post-award, and finance administrators.
- **Insight**: Partners financial management system where the information from InfoEd and PeopleSoft feeds to this system daily. This system is used to generate and monitor the financial details of sponsor projects funds.
- **PeopleSoft**: Human Resources and supply chain management system. All salary allocations are process via PeopleSoft using Employee Data Changes or Research Post Only.

**Process**

**Project fund setup**

Once a fund is active in Insight ([https://insight.partners.org/public/](https://insight.partners.org/public/)), the DA and PI should review the following fund information under the “Agreements” module:

**Financial Summary Tab** *(Agreements > Financial summary)*
- Balance Type: “B” refers to budget balance driven (e.g. NIH funds subcontract, cost reimbursable contracts). “C” refers to cash balance (e.g. Clinical trials, fixed price contracts)

**Project Details Tab** *(Agreements > Financial summary > Project Details)*
- Dept/Unit chief code
- Agreement type
- Sub-Activity type
- Check for the applicable Indirect rate (F&A)
- Project and budget start/end dates
- Billing information to determine responsibility roles

**Contract Details Tab** *(Agreements > Financial summary > Contract Details)*
- Award notification and/or executed agreement from the sponsor
- Review the agency’s guidelines (if applicable) for grants
- Check the budget and budget justification and note the PIs effort requirements
- Other key documents such as cost sharing form

If there are any discrepancies between the information in Insight and the award notification/agreement from the sponsor, the DA needs to contact the appropriate group at Partners including Research Management Post-Award Administrator, Innovations, or the Clinical Trials Office and correct the information.

Once the award details are confirmed the DA needs to work with the PI to ensure the correct expense categories are applied to the project fund. The Categories include:

**Salaries**
- Accurately apply salaries to the fund based on the individuals devoted effort on the project (use the budget and award notice/agreement as guidelines) and confirm with the PI
- For NIH federal funds apply the NIH salary cap for the individual who’s salary exceeding the cap limit; ensure you charge the difference to a non-federal fund such as sundry or non-discretionary fund such as department cost center
Apply any salary limitations to sponsored projects per the guidelines and agreement

Identify forthcoming personnel changes and prepare an Earnings Distribution Change (EDC)

Protocols (Human subjects, Animals or other)

Ensure that related protocols such as IRB or IACUC are linked to the fund before charges can start to post to the fund. Provide the PI with instructions on how to link protocols.

Check with the PI on any IRB protocols from Dana-Farber Cancer Institute (DFCI); if there are any DFCI protocols get the approval letter from the PI and send to the Post Award administrator so it can be upload to the InfoEd/Insight record

Materials and Supplies

Check that costs encumbered are allowable and appropriately charged against the fund by authorized individuals

Ensure that correct account codes are used when placing orders

Travel

Check that travel was proposed on the proposal budget

Ensure that the PI list you – the DA in PeopleSoft as the approver for all reimbursements

Verify the costs and check that no unallowable travel costs are charged to the project

Use the sponsored travel guidelines and checklist when reviewing expenses

Equipment

Check the proposal budget whether equipment was proposed and allowed. If not, ensure you communicate with the sponsor and get prior approval before charging the costs to the fund

Follow the Research Equipment Management Policy and communicate with Research Space Management Group (RSMG) to ensure it is properly tagged and maintained

Subcontracts

Check all incoming invoices against the expected allocation and work

If the agreement is ending ensure all final invoices and reports have been received

Other costs

Submit non-personnel cost transfers from sundry funds if applicable to the project

Link/update P-card to project if applicable

Update any on-going charges for research core facilities and any other services applicable to the project

Use the Partners Guide to Charging Expenses to Sponsored Projects for further guidance on cost allowability.
How to Monitor Project Funds

The financials of active funds need to be monitored by the DA and reviewed with the PI monthly. The DA should run monthly reports in Insight and priority should be given to funds that fall under the following fund management categories:

- Funds with $0 expense or under spent funds
- Less than 90-days to project end
- Ended funds
- Deficit funds

Run a fund management report from Insight to check on the above categories by PI or by department:

- Login in to Insight ([https://insight.partners.org/public/](https://insight.partners.org/public/))
- Go to agreements > run the report by PI enter the last name in "PI Name: or by department chief code under “Search”
- Under “Custom Download” run the report in excel with the following recommended custom fields from the info graphic below click “Generate Report”

Sort the spreadsheet by each of the four categories listed above and review per the below activities:

- **Funds with $0 expense or under spent funds** category – custom sort the spreadsheet by using the header “Expenses to Date” and order smallest to largest value

<table>
<thead>
<tr>
<th>FUND MONITORING</th>
<th>IDENTIFY ACTIVITY CATEGORY</th>
<th>ACTION STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds with $0 expense or under spent funds</td>
<td>Salaries</td>
<td>Review the proposal budget &amp; confirm the effort &amp; salaries with the PI</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Submit employee data changes – Earnings Distribution Change (EDC) or</td>
</tr>
</tbody>
</table>

![Image of spreadsheet with custom fields selected](image-url)
Non-personnel/other

- Update any on-going costs to the project fund e.g. Core facility services such as animal care
- Review the budget and confirm with the PI on other non-personnel

- Less than 90-days to project end – custom sort the spreadsheet by using the header “Project End date” and order oldest to newest

<table>
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<th>ACTION STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 90-days to project end</td>
<td>Salaries</td>
<td>➢ Communicate with the PI the transfer of personnel to another eligible fund prior to project end date &amp; submit EDCs</td>
</tr>
<tr>
<td>Non-personnel</td>
<td></td>
<td>➢ Follow-up with the PI/lab manager on open POs &amp; confirm all items were received. Send any invoices for payment to Supply Chain &amp; close POs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>➢ If requesting NCE, follow the sponsor guidelines &amp; submit the request to appropriate Partners office</td>
</tr>
<tr>
<td></td>
<td></td>
<td>➢ Work with finance to ensure all revenue is received</td>
</tr>
<tr>
<td></td>
<td></td>
<td>➢ Ensure subcontract invoices &amp; other docs are received; send follow up emails if needed</td>
</tr>
</tbody>
</table>
- **Ended Funds** – custom sort the spreadsheet by using the header “Project End date” and order oldest to newest and focus on the ended funds only

<table>
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<tbody>
<tr>
<td><strong>Ended Funds</strong>: review cost overruns (deficits), credits, missing revenue of outstanding POs</td>
<td>Salaries</td>
<td>➢ If any salaries are still hitting the fund – submit an RPO otherwise RM will transfer the salaries to the designated sundry fund</td>
</tr>
<tr>
<td></td>
<td>Non-personnel/other</td>
<td>➢ Process journal entries as needed to cover deficits ➢ Close out unspent encumbered POs ➢ Work with Research Finance to process residual balance transfers or return unspent funds to sponsor ➢ Follow up &amp; collect any final revenue</td>
</tr>
</tbody>
</table>

- **Deficit Funds** - custom sort the spreadsheet by the header “Projected balance remaining” and order smallest to Largest

<table>
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<tr>
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<th>ACTION STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deficit Funds</strong>: review any accelerated spending to prevent cost-overruns, renewals not receiving for continuing period, cash balance funds for milestone, department, &amp; clinical trials billing</td>
<td>Salaries</td>
<td>➢ Ensure that salaries are charged according to the approved budget ➢ Any reductions in effort for the PI ensure you follow the sponsor guidelines &amp; request prior approval if needed</td>
</tr>
<tr>
<td></td>
<td>Non-personnel/other</td>
<td>➢ To prevent any cost overruns work with the PI on a plan to lower monthly expenses reducing deficit risk ➢ Ensure all progress reports are submitted &amp; work with RM to follow up with sponsor on pending continuing renewals ➢ Department invoicing should be process monthly as</td>
</tr>
</tbody>
</table>
Review the executed agreement & communicate with Research Finance on milestone billing once milestones are completed.

Communicate the fund activities to the PI and report any changes/updates to the appropriate Partners group and continuously review the Partners and department policies.

In addition to reviewing sponsored project funds based on the above categories, DA’s need to also review and follow up on the following:

- **Projected Spending**: DA’s and PI’s should monitor burn rate and anticipated spending to:
  - Avoid overruns or underspending
  - Anticipate and plan for labor commitments
  - Anticipate the impact of additional (contingency) funding
  - Project the impact of equipment purchases prior to PO creation
  - Project the impact of hiring new personnel
  - Understand how to manage funding across multiple project years

- **Awards with pending additional year of funding**: DA’s should proactively work with the appropriate Partners Office(s), communicate with the sponsors and verify that a renewal is forthcoming and that there are no reasons for the delay such as pending deliverables or other progress reports (programmatic or financial).

- **Monitor revenue**: The Research Finance Team manages the invoicing and collection of revenue for all sponsored projects except for industry sponsored clinical trials which the DA (in conjunction with the PI) is responsible for invoicing and collecting revenue. The DA should monitor all revenue to ensure the correct revenue is billed and posted.

- **Revenue more than budget**: A project fund that is identified as more revenue than actual budget will need to be analyzed with the Research Finance Team. Certain Clinical trials budgets will only reflect the cost of one patient so in certain circumstances it may be ok to have more revenue than budget.

- **Ended awards with active fund numbers**: The DA needs to confirm with the PI any outstanding expenses on open P0s and ensure invoices are received and paid. Once all expenses are moved the DA will work with Partners Finance and close active fund in a timely manner, so no further charges are received.
Resources and Related Links

The related policies can be found on the Partners Navigator (http://navigator.partners.org/) or by clicking on each link below:

- Partners Fund Monitoring Basics
- Partners Guide to Charging Expenses to Sponsored Projects
- Overdraft and Deficit Monitoring Policy
- Sponsored Project Cost Charging Policy
- Research Management Fund Management SOP
- Research Equipment Management Policy

Last Updated: July 2017