Best Practices for Expenses on Federally-Funded Accounts

The following guidelines and best practices are based on recommendations/feedback gathered from the recent Federal audit conducted on behalf of the National Science Foundation, and are informed by the Federal Uniform Guidance, the Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

If you have any question as to the allowability, allocability, and reasonability of an expense, please do not hesitate to reach out to the SoMSS Research Advancement Office (Janis Morey Naugle and Sasha Ramayya).

Please note: No justification should ever include ‘…to help spend out the remaining funds.’

Changes in project personnel (PI, Co-PI, senior personnel), scope of work, location of performance, please notify your research administrators so that the proper actions can be taken.
   a. Usually these types of changes will require sponsor approval.

2. If you are requesting to purchase something that was not in the budget justification, additional justification will be required.
   a. For example, no materials and supplies were documented in your budget and budget justification at proposal time, but now you’d like to request $2,000 worth of items.
      i. Additional justification is needed to evaluate the benefit to the project.

3. If you are purchasing an item using a non-University-approved supplier, it is required that you justify why you are using that supplier.
   a. ASU approved suppliers can be found here.

Purchases at the end of a project

1. All requests made within the last 90 days of the project will be reviewed and may be subject to further justification, especially capital equipment, participant/student support (aid), materials and supplies, etc.
   a. Purchase may need to be co-funded with other accounts if purchased items will be used for other projects after the expiration date of the grant.
   b. May require the Research Advancement Office/ASU’s Office for Research and Sponsored Projects Administration (ORSPA) to transfer the expense off the grant if the items are not received before the end of the project period.

2. If purchasing computers or software in the last year of a project, you will not be able to charge the full cost to the account that is ending.
   a. It will be required that you split-fund the purchase with another project or local account and thoroughly detail the benefit to the project at this point of the award.
   b. If purchasing software that requires an annual license, you may only charge the prorated amount (until the end of the grant period) to that grant, and the remainder of the funds will need to come from another source.

3. If you are split-funding costs across two or more Sponsored accounts the following will be required:
   a. Documentation of how you determined that the allocation across the multiple Sponsored accounts used was appropriate. This is explicit guidance provided by the NSF in ASU’s audit report.
      i. For example, if you are purchasing a one-year EndNote software license in the last month of the project, you would explain that you are charging one month of your EndNote license to GRxxxxx and 11 months to GRyyyyy or PGxxxxx.
Publications

1. If charging publication costs to a grant, they must be related to the science of that project AND be cited in the publication and in your annual reports.

Participant Support

1. Any anticipated participant support costs should be thoroughly detailed at proposal time with any and all intentions (e.g., travel, food, stipend, etc.).
   a. NSF has commented that ASU documentation for participant support has been insufficient in the past.

Subawards

1. PIs are responsible for thoroughly reviewing all subaward invoices before approval and are accountable for any costs that may be deemed unallowable at a later time.

Travel

1. Foreign travel must comply with the Fly America Act: all international airfare charged to federally-funded projects must be for travel with flight numbers of U.S. flag air carriers (e.g., an American Airlines-operated flight booked as AA xxx, or a Lufthansa-operated flight booked as United (UA) yyyy). A foreign flight number or code share (e.g., LH zzzz) does not qualify, regardless of the nationality of the operating carrier.
   a. Exceptions could apply and use of those exceptions must be documented.
      i. SoMSS travel representative will assist in providing the necessary forms to complete this process.

2. If you are traveling to Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands, DOD per diem rates should be used.

3. If you are taking personal travel while on business travel, the personal travel legs will be required to be covered on personal funds.

4. Travelers are responsible for submitting and certifying expense reports within 30 days of the trip end date.
   a. Any and all ASU business travel requires prior approval by the ASU travel department and the PI's department before departure.
      i. If the expense report is not submitted and certified within 30 days of the trip end date, and the ASU travel department and PI's department have not approved, you risk the travel expense(s) not being funded by ASU sources.
         1. As a reminder, if your travel is not approved before your departure, you will not be covered under ASU insurance
   b. Anything submitted after the 30 days will require additional justification and approvals.
   c. As a reminder, when traveling to a country of concern, including China, Cuba, Syria, Iran, North Korea and Sudan, please notify ASU's Office of Research Integrity and Assurance (https://researchintegrity.asu.edu) as early as possible but certainly at least a few weeks before your trip. This allows for vetting of collaborations and equipment (e.g., laptops and electronic equipment), or materials that may contain unpublished research data to ensure compliance with export controls and protection of intellectual property.