

Sponsored Projects Financial Management – FAQs

Welcome to the Research Financial Services LISTSERV series on “Sponsored Projects Financial Management” answering common questions. Sponsored project financial management requires the application of award terms and conditions along with Sponsor, Federal and Institutional policies and procedures. Note underlined sections are hyperlinks for further information.

(Previous FAQ editions [here](#))

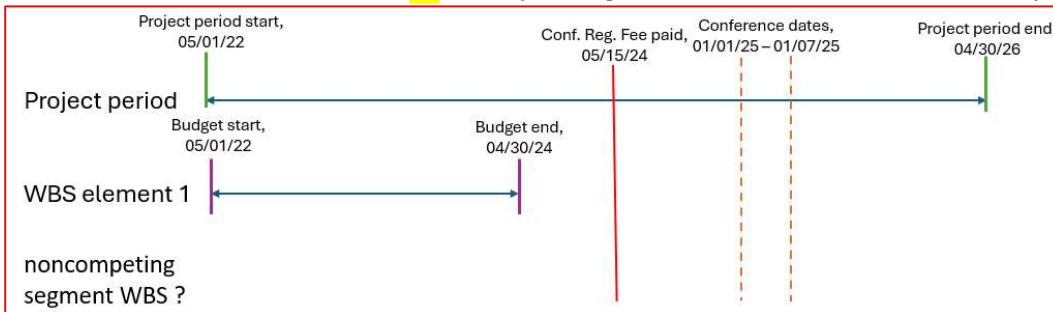
Incurred Date



This document provides hypothetical examples of incurred date regarding its timeline period of performance allowability on sponsored projects. This supplement is complementary to the [Period of Performance](#) FAQ. It also helps how to identify incurred date for use on journal voucher corrections as per Business Procedure Manual (BPM) policies [E-4](#) and [E-50-3](#). Additional situation specific factors need consideration to determine allowability and are not discussed with these limited topical scope examples.

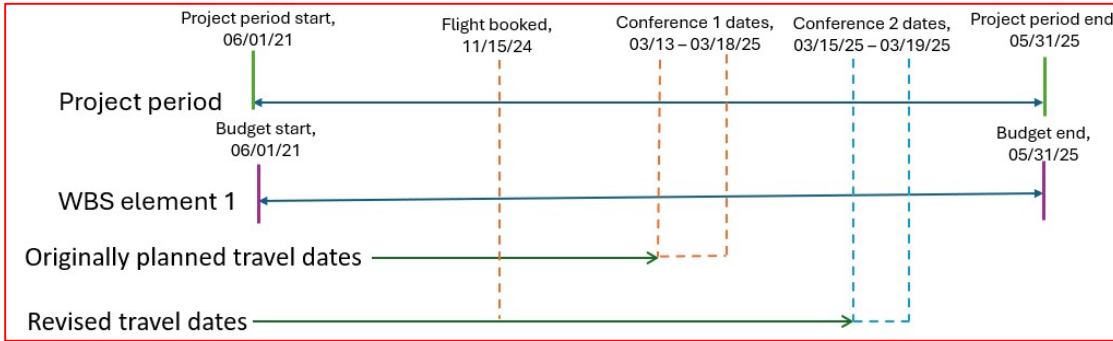
Travel 1 example

Jeff is attending a conference in the first week of January 2025. The conference registration fee was paid by Procard on May 15, 2024. The sponsored project originally identified as wholly benefiting from this travel has a project period May 01, 2022, through April 30, 2026. The WBS element has a current budget period May 1, 2022, to April 30, 2024. The noncompeting segment of the WBS element has not been issued. The travel dates and the WBS current end date make the registration fee unallowable on the current WBS element. The Procard expense will need to be posted to a cost center. A JV will need to be processed, with the funding source depending upon how the new year’s funds are setup. If the WBS element project is renewed, its funds are again placed into the same WBS element (as determined by OSPA), and the budget dates extended, now including the travel dates. It can now be used as the funding source. If the WBS element project is renewed, funds are setup in a new WBS element (as determined by OSPA), and the budget dates now include the travel dates. It can now be used as the funding source. In either case, the resulting JV will need to list in the text field the incurred date 01/07/25 corresponding to the end of the travel dates. Graphical display:



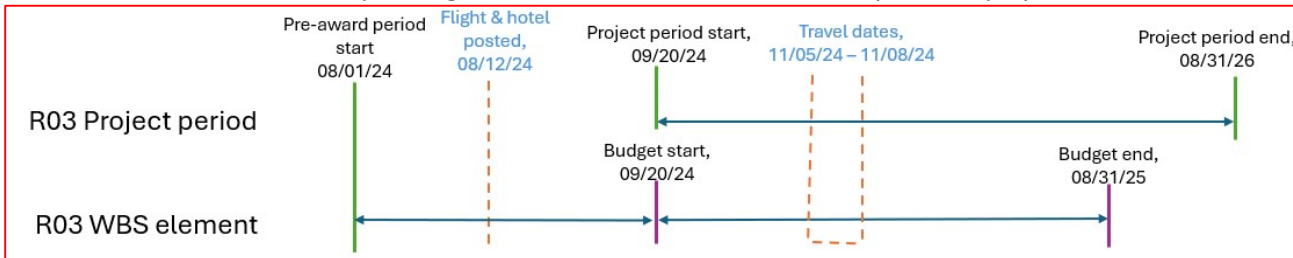
Travel 2 example

Mary is attending conference 1 with dates March 14-18, 2025. There is not a conference registration fee. On November 15, 2024, she asks her department to book a flight for the dates March 13 – March 18, 2025. Described with the request is a business purpose with 100% funding from WBS 1 because of the material being presented. The department validates Mary’s effort to WBS 1, the travel dates are within the budget period and the business purpose explains the necessity, and there is available budget. WBS 1 has project and budget dates June 1, 2021, to May 31, 2025. The department validates Mary, as PI, has another sponsored project (WBS 2), but it’s unrelated to the presentation. The flight is booked. December 2024, Mary is prestigiously invited to present material related to WBS 2 at conference 2, but it wasn’t awarded with any travel funds and WBS 2 neither has sufficient available funds. The conference 2 travel dates are March 15 – March 19, 2025. The department determines her attendance at conference 2 is important and agrees to fund it from internal funds. The department works with Mary to revise her originally booked flight and how to manage the additional flight cost. Since the originally booked flight cost posted to WBS 1 and has since been determined will have no benefit from her travel, it (flight and booking fee) needs removal to a non-sponsored cost center of the department’s choosing.



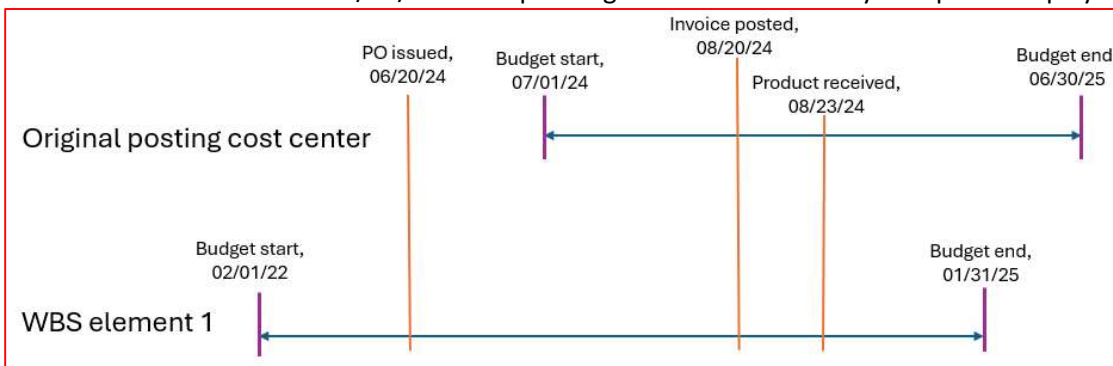
Travel 3 example

Dr. Amr is an Assistant Professor currently running the lab from startup funds. She plans on attending a conference November 5-7, 2024, with return to Lexington on Nov. 8, 2024, and works with her department to book a flight and hotel deposit by Procard. The expenses are processed through the concur system and posted to the startup cost center August 12, 2024. Shortly thereafter, Dr. Amr receives notice from NIH the R03 application will be funded. The R03 notice of award (NOA) was issued with standard terms and conditions on September 20, 2024, with a project and budget start date of September 20, 2024. The current budget period end date is currently set to August 31, 2025. Dr. Amr works with her department and Collaborative Grant Services (CGS) to request of OSPA the R03 pre-award start date of August 1, 2024. The WBS element is set up by OSPA including the pre-award start date. Dr. Amr now wants the previously booked flight and hotel expenses for the conference moved from startup to the R03. She provides a business purpose validating the necessity of the expenses to the R03. A JV is now needed because the pre-award start date will allow incurred expenses as of August 1, 2024, the conference dates are within the budget period, the original posting date is after the pre-award start, and the PI justification provides the allowability. The resulting JV will need to list in the text field the incurred date 11/08/24 corresponding to the end of the travel dates. Graphical display:



Goods example

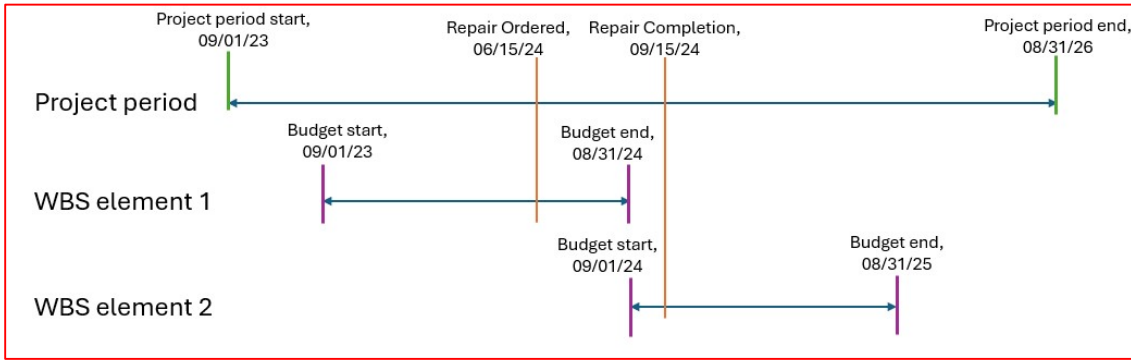
An SRM cart was processed in June 2023 for a single line chem/lab supply. Its corresponding purchase order (PO) was issued June 20, 2024. The funding source cost object for the PO was a cost center, not a WBS element. The supply posted the expense to the cost center because of the two-way PO match (PO and invoice receipt) on August 20, 2024. The area's reconciliation process identified the cost object was incorrect. The correct funding location was identified along with the receiving area's validation the product was received, August 23, 2024. The WBS element where the expense is needing moved has budget dates Feb 1, 2022, through Jan 31, 2025. The resulting JV will need to list in the text field the incurred date 08/23/24 corresponding to the item's delivery. Graphical display:



Services example

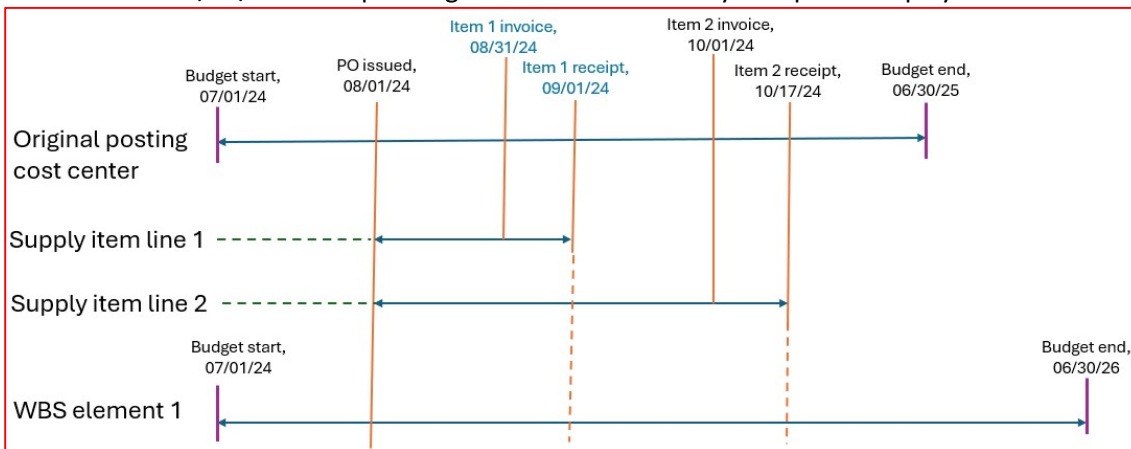
A company was arranged (via Procard order) to fix a scientific instrument (i.e. gas chromatograph) in June 2024. The area's process initially identified and verified the WBS element funding source with budget dates Sept 1, 2023, to August 31, 2024. This WBS element has a project period end date of Aug 31, 2026. The repair company fixed the item September 15, 2024. The Procard paid the invoice to the vendor on Sept 18, 2024. The concur system accepted the expense, and it was processed and posted to the originally planned WBS element with posting on October 11, 2024. The grant funding source that was originally planned was used. The next segment of this project was set up on October 18, 2024, with a new year's WBS element and budget dates Sept 1, 2024, to Aug 31, 2025. The department's reconciliation process identified the expense is now needing to move from the prior year to the current year WBS because the repair's completion was within the budget dates on the current year's account. The resulting JV will need to list in the text field

the incurred date 09/15/24 corresponding to the repair completion date. Graphical display:



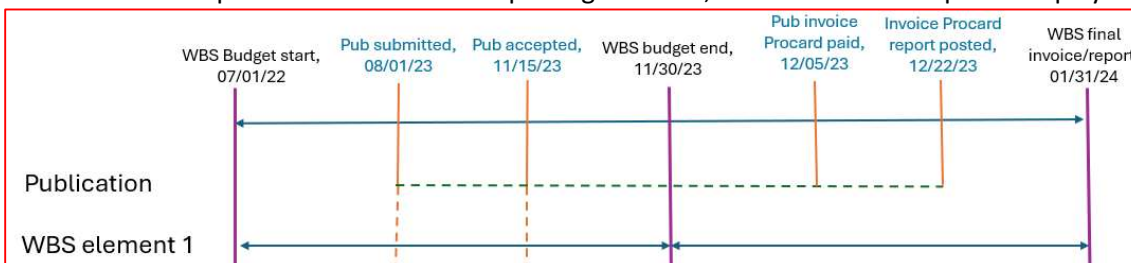
Goods example 2

An SRM cart was processed in July 2024 for a two-line order of chem/lab supplies. Its corresponding purchase order (PO) was issued August 1, 2024. The funding source cost objects for the PO was a cost center, not a WBS element. The supply line 1 item posted the expense to the cost center because of the PO goods receipt 3-way match (PO, SAP invoice receipt, SAP goods receipts that matches the packing slips) on Sept 1, 2024. This line’s invoice receipt was Aug 31, 2024, and goods receipt was Sept 1, 2024. The supply line 2 item posted the expense to the cost center because of the PO goods receipt 3-way match (PO, invoice receipt, goods receipt) on Oct 17, 2024. This line’s invoice receipt was Oct 1, 2024, and goods receipt was Oct 17, 2024. The area’s reconciliation process identified the cost object was incorrect. The correct funding location was identified along with the receiving area’s validation the product was received as noted via the goods receipt entries. The WBS element where the expense is needing moved has budget dates July 1, 2024, through June 30, 2026. The resulting JV will need to list in the text field for line item 1 the incurred date 09/01/24 and for line item 2 the incurred date 10/17/24 corresponding to each item’s delivery. Graphical display:



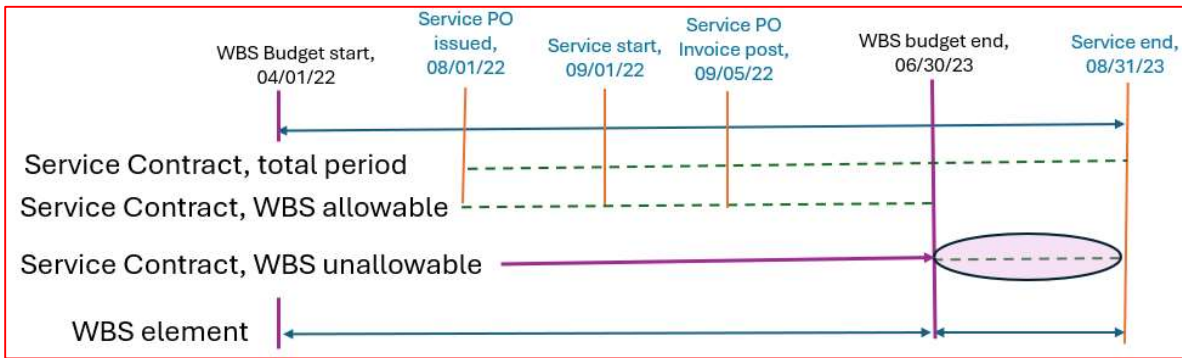
Publication example

A project PI submits to a journal on Aug 1, 2023, a manuscript for their review and hopeful acceptance for publication. With delight, the publication was accepted Nov 13, 2023. The WBS element’s award reference number was acknowledged in the publication and has a budget end date of Nov 30, 2023, with a final report due Jan 31, 2024. The publisher’s invoice was paid by Procard on Dec 5, 2023. The Procard report with the publication expense posted to the WBS on Dec 22, 2023. Because the publication was correctly acknowledged, benefited the project, and was posted to the WBS element prior to the final fiscal reporting deadline, it is allowable. Graphical display:



Services example 2

A company was identified for a year-long service contract for instrument maintenance (i.e. 3-D printer) in July 2022 for one project’s activities. The area’s procurement process initially identified and verified the WBS element funding source with budget dates April 1, 2022, to June 30, 2023. The SRM cart and resulting purchase order issued on Aug 1, 2022, the 12 month contract with a cost center as the funding source. The purchase order 2-way match posted the invoice on Sept 5, 2022. The funding source mistake was identified with the cost center reconciliation, Oct 18, 2022. The expense is now needing to move to the applicable and allowable portion from the cost center to the grant. Because the grant budget end date is prior to the service contract’s end date, the WBS element allowable invoice cost will need proration. The resulting JV will need to list in the text field the incurred date 6/30/23 corresponding to the last date the service coverage agreement during the WBS element’s budget period. In this case the allowable portion of the service represents the time 09/01/22 to 06/30/23. Graphical display:



Additional Resources:

- RFS: <https://www.uky.edu/ufs/research-financial-services>
- OSPA: <https://www.research.uky.edu/office-sponsored-projects-administration>
- CGS: <https://www.research.uky.edu/collaborative-grant-services>
- BPM: <https://www.uky.edu/ufs/business-procedures-manual>
- Sponsored Project Bits & Pieces Presentations: <http://www.uky.edu/ufs/sponsored-projects-bits-pieces-presentations>
- Uniform Guidance (UG): <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>