

DATE: June 17, 1999
TO: CALS Chair and Directors
FROM: Margaret Dentine; Assoc. Dean, Research Division; Executive Director, WI
Agricultural Experiment Station
RE: Prevention of overdrafts and debts on research funding

Recently we have had a problem with overdrafts on grant funds with anticipated renewals that have not been approved and on gift funds that have been promised but have not been received. Departments, centers and programs are ultimately responsible for these debts. I have asked the CALS Research Advisory Committee to make a recommendation to keep these debts from becoming a problem. This April, the RAC approved the accompanying set of guidelines for spending on funds that have not yet been received. The intention is not to delay the research work but to insure that large debts are not incurred without guaranteed funds to cover the expenditures. Starting July 1, 1999, we will be working under these guidelines for new and continuing grants. Your help in making faculty and staff aware of these procedures would be appreciated. Please let me know if you have any questions.

CALS Guidelines for expenditures on grant funding in advance of award¹

1. Departments and other units administering grants under their own UDDS are ultimately responsible for any expenditures made by faculty and staff.
2. With written confirmation of approval from the granting agency or source of gift funds, spending will be allowed up to 90 days or prorated expenditures if consistent with grantor policy.
3. Expenditures on anticipated renewals of continuing federal grants will be allowed provided:
 - A renewal application has been submitted to meet deadlines to allow continuous funding. In the case of NIH funding, a priority score must be available.
 - Receipt of a letter from the chair or unit director accepting responsibility in cases of denial of continuing funding.
 - In no case will overdrafts on unconfirmed renewals be allowed to exceed 90 days of prorated expenditures on proposed budgets.
4. In cases where Graduate School insurance support has been guaranteed, expenditures up to the amount of Graduate School support will be allowed provided external applications were submitted on time and other Graduate School conditions have been met.

¹as approved by the CALS Research Advisory Committee, 4/19/99