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Parent Policy: [Financial Management and Practices Policy](#)

Research – Over Expenditure (Authorized) Procedure

Office of Administrative Responsibility:	Research Services Office
Approver:	Vice-President (Finance and Administration) and Vice-President (Research)
Scope:	Compliance with this University procedure extends to all Academic Staff and Colleagues as defined in the Recruitment Policy (Appendix A), Professors Emeriti, Graduate Students and Postdoctoral Fellows.

Overview

As a general principle, **over expenditure** of a research **project** is not permitted. The University recognizes that occasionally there may be circumstances which might justify a temporary over expenditure of a **restricted research project**, to allow continuity of research activities. The **project holder** may request prior authorization of over expenditure in the case of existing multi-year awards (except in the final year of the award) or if the **sponsor** has made a written commitment to provide new or renewal funding. The intent of such a temporary authorization of over expenditure is not to waive any rights that the Department or the University otherwise has to demand repayment of the over expenditure from the project holder in accordance with the *Research – Over Expenditure (Unauthorized) Procedure*. Rather, the sole intent of such a temporary authorization is to allow the project holder additional time to address the over expenditure. This Procedure does not apply to projects held in Fund 330 – Research (Operating).

In circumstances where the project holder reports to a Chair, it is the responsibility of the Chair to consider authorization of over expenditures. In circumstances where the project holder does not report to a Chair, the responsibility falls to the appropriate Dean or Vice-President.

Purpose

To specify the steps involved in requesting, authorizing and monitoring approved over expenditure.

PROCEDURE

1. REQUEST AUTHORIZATION OF OVER EXPENDITURE

- a. If the over expenditure is eligible for authorization, the project holder must submit the completed *Request for Authorization of Temporary Over Expenditure of a Restricted Research Project* form to the Chair (or delegate) prior to incurring over expenditure.
- b. The Chair (or delegate) will either authorize the over expenditure if in agreement or deny the request. The maximum amount of over expenditure that can be authorized is limited to the value of the next year's project budget.
- c. The Chair (or delegate) submits the completed form to the Research Services Office (RSO). RSO will review the request to ensure compliance with this procedure and will process the authorization in the financial system.
- d. If the project holder is the Chair, the request for over expenditure must be authorized by the Dean. If the project holder is the Dean, the request for over expenditure must be authorized by the Provost and Vice-President (Academic). In all other instances, the request will require one-over-one approval. Refer to the *Signing Authority and Approval Procedure*.

- e. Any authorization of over expenditure pursuant to this Procedure does not constitute a waiver or release of liability for the project holder with respect to any over expenditure that exists at the time of the authorization or that further accrues thereafter. The project holder remains at all times responsible and liable for the over expenditure, and if at any time the over expenditure (including any authorized over expenditure or additional expenditures incurred following an authorized over expenditure) becomes non-recoverable for any reason, such over expenditures will be treated as unauthorized in accordance with the *Research – Over Expenditure (Unauthorized) Procedure*.
2. MONITOR AUTHORIZED OVER EXPENDITURE
 - a. The project holder and the Chair must ensure the project balance and spending commitments are regularly monitored to ensure the authorized over expenditure is not exceeded and that all expenditures directly relate to the project.
 - b. The project holder must inform the Chair and RSO in writing of any change in the amount, likelihood of the anticipated funding or any change in status of the project.
 - c. If the amount or duration of the required over expenditure changes, the project holder must complete a new *Request for Authorization of Temporary Over Expenditure of a Restricted Research Project* for submission to the Chair.
 3. YEAR-END PROVISION FOR AUTHORIZED OVER EXPENDITURES

At March 31, for the University's audited financial statements, RSO may be required to accrue a provision for restricted research project over expenditures to the Department's operating budget.

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [\[▲Top\]](#)

Over expenditure	Occurs when expenditures have exceeded the total budgets approved to date.
Project	Funding with a finite life span. Research funding at the University is classified in the financial system as a project to enable efficient and effective administration, control and reporting.
Restricted research project	A research award with externally imposed restrictions as to the use of the funds. These projects are created in Fund 530, 531 or 535.
Project holder	The individual accountable for the research project, who ensures compliance with sponsor terms and conditions and University policies and procedures.
Sponsor	The provider of funds for a research project, including both external and internal sources (e.g. funding agency, granting agency, contractor).

FORMS

No Forms for this Procedure. [\[▲Top\]](#)

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U of A Policies and Procedures On-Line (UAPPOL)

[Eligibility to Apply for and Hold Research Funding Policy](#) (UAPPOL)

[Recruitment Policy \(Appendix A\) Definition and Categories of Academic Staff, Administrators and Colleagues](#) (UAPPOL)

[Research Administration Roles and Responsibilities Procedure](#) (UAPPOL)

[Signing Authority and Approval Procedure](#) (UAPPOL)