



POLICY ON RECONCILIATION OF SPONSORED (FUND 20) PROJECTS

Policy Number: 5.0.3

Version Number: 001

Classification: Post-Award Administration

Effective Date: July 1, 2018

Responsible University Office: Grants and Contracts Administration

1.0 Purpose

The purpose of this policy is to provide guidelines, responsibilities, and best practices for reconciliation of sponsored (Fund 20) projects, as required by 2 CFR 200 – “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”.

2.0 Applicability

This policy applies to all sponsored awards for which a Fund 20 project is active in the Clemson University General Ledger (GL), regardless of funding source/sponsor.

3.0 Government Rules and Regulations

2 CFR 200.61 Internal controls means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) effectiveness and efficiency of operations; (b) reliability of reporting for internal and external use; and (c) compliance with applicable laws and regulations.

2 CFR 200.62 Internal control over compliance requirements for Federal awards means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards: (a) transactions are properly recorded and accounted for, in order to: (1) permit the preparation of reliable financial statements and Federal reports; (2) maintain accountability over assets; and (3) demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award; (b) transactions are executed in compliance with (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and (2) any other Federal statutes and regulations that are identified in the Compliance Supplement; and (c) funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

4.0 Definitions

Reconciliation: Comparing two sets of records to make sure they are in agreement with each other. For the purpose of this policy, the sets of records include the General Ledger (Business Intelligence DataWarehouse Detail Budget Status Report for Expenditures, the PI Report), or a journal detail expenditure query from the General Ledger (GL) and the supporting documentation for expenditures on a particular sponsored (Fund 20) project that is retained in a specific department/college. Reconciliation helps identify errors, irregularities, and needed adjustments.

5.0 Policy

A formal reconciliation of the accounting records on sponsored (Fund 20) projects must be performed monthly and within 30 calendar days after the report of record (Detail Budget Status Report, PI Report or the journal detail expenditure query) is available. A reconciliation of the General Ledger (GL) consists of the following processes:

- Validate the accuracy of the GL by comparing supporting documentation to transactions in the GL
- Ensure that all transactions on the GL are supported by accurate department records
- Ensure that all transactions have been authorized or approved by the Principal Investigator (PI) or an authorized designee
- Ensure that appropriate measures are taken to correct errors in a timely manner. For more information on cost transfers, review the Policy on Grants and Contracts Administration Cost Transfers:

<https://www.clemson.edu/research/grants-contracts/tools.html>

6.0 Responsibilities

The individual who is reconciling must possess knowledge of Clemson University's Chart of Accounts and Federal, State, and University regulations regarding charging costs.

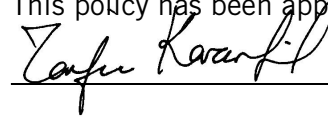
The individual must sign and date the report of record and retain the report and the supporting documentation for three years after the project end date, or longer, as specified in the sponsored award.

7.0 Sanctions for Non-Compliance

Failure to adhere to this policy may result in audit findings and personnel action.

8.0 Approval Signatures

This policy has been approved by:



July 1, 2018

Tanju Karanfil, Ph.D.
Vice President for Research

Date

REVISION HISTORY		
EFFECTIVE DATE	REVISION NUMBER	MODIFICATION
July 1, 2018	001	Policy Reformat