

PI ARTICLE: Exception Reports and the Importance of Sponsored Budget Management

As fiscal and operational stewards of sponsored funds, we have a collective responsibility to ensure that we are not only meeting the deliverables required by our sponsors, but we are also spending appropriately and managing within our budgets.

In that vein, at the beginning of every month, Grants and Contracts Accounting distributes three exception reports to the research community:

- Award Exception Report
- Grant Exception Report
- Cost Share Exception Report

A significant amount of non-value added work and compliance headaches can be avoided by managing the exceptions on these lists on a monthly basis.

Award and Grant Exception Reports

Awards and/or grants that appear on the exception report represent situations where expenditures, obligations, or commitments are in excess of the funded budget. The most critical awards/grants to address are those where the end date has passed, as these are past-term overages which must be addressed immediately. While it may be a case that the overages are due to needed budget adjustments in the system, action must be taken on all of these awards/grants to resolve the issues.

Cost Share Exception Report

This report identifies awards where the cost share spend rate is less than the sponsor spend rate ratio by more than 10%. It is meant to provide a starting point for departmental review and actions needed to ensure cost share is being met per the terms of the award. Many sponsors will not pay our invoices if cost sharing commitments have not been recorded in alignment with spending on the award itself.

Please note that the exception reports are also available in LITE. <https://lite.gatech.edu/>. They can be found by clicking on the “Financials” icon at the top of the page and then choosing the report tiles shown below. The data has a one-day lag, but this will allow you to pull this information without waiting for a monthly distribution.



Please make reviewing these reports a part of your **monthly** review process. Proactive management allows everyone to better allocate their limited time to value-added activities on behalf of sponsored research.

If you have any questions and/or if you would like to be included on our monthly distribution for these reports, please contact Josh Rosenberg at josh.rosenberg@business.gatech.edu.