PI ARTICLE: The PI "Must-Knows" of Post Award Financial Management

The following is a Top 10 list of "must-knows" regarding post award financial management. They are not listed in any particular order, as they are all critically important in fulfilling our responsibilities as recipients of sponsored funds.

1. Budget and Allowable Costs: your budget in the system represents the money you actually have available to spend. Not all costs are allowable on sponsored funds, as some may be prohibited by regulations while others may be prohibited by sponsors. Please be mindful of your costs and what costs are appropriate to charge on your specific awards.
2. Period of Performance (POP). We cannot, without sponsor approval or preaward authority, get reimbursed for work performed and expenditures incurred outside of the period of performance, so work should only be conducted during this period.
3. Subrecipient Management: If you have subrecipients on your awards, you need to be in communication with your subrecipients on a regular basis to ensure that the financial and performance aims of the award are being met.
4. Cost Share: If you commit to cost share in the proposal and it is awarded, it becomes a requirement. You must ensure that you are meeting your cost share requirements throughout the life of the award, as waiting until the end can be very problematic.
5. Salaries on your Awards. You should know all of the individuals (their salaries and their allocations of effort) being charged to your awards and to individual grants within your awards. Monthly review of expenditures is a best practice to ensure salaries are charged as you planned.
6. Timely Posting of Charges. Ensure costs are posting timely and correctly, as this minimizes the need for cost transfers. To ensure that you are not surprised when things are/are not charged, review spending on your awards on a monthly basis.
7. M&S and Equipment Timing. Purchase materials and supplies (M&S) and equipment in the beginning of an award, not at the end. Expenditures made at the end of awards are hard to defend (is the award benefitting from the charge?) and items may not be received in time.
8. Submit deliverables on time. Whether it is invoices, reports, or other deliverables, sponsors have requirements for when they must be provided. While invoices and financial reports are the responsibility of Grants and Contracts, other items such as progress reports and other programmatic deliverables are the responsibility of the PI. Please make sure these are delivered by the deadlines outlined in the contract.
9. Understand carryforward terms & conditions. Carryforward is when unspent and unobligated funds remain after a budget period ends and can be carried forward for use in the next budget period. Please know the carryover provisions applicable to your individual awards. This PI Article serves as a helpful reference: https://grants.gatech.edu/The-Craft-of-Carryover
10. Manage Exceptions: Don't spend over your budget or past the end date of your award. These are exceptions that must be managed. Twice per month, automatic emails are sent out to PIs and financial administrators for award, grant, and cost share exceptions.

And one more for good measure:
11. Communicate with your financial support staff. These individuals in your respective units are here to help you manage the finances of your award throughout its life. Make sure you are regularly connecting with them.

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