Policy 7.27
Sponsored Award Overrun Policy

Responsible Official: VP for Research Administration
Administering Division/Department: Sponsored Programs
Effective Date: June 01, 2014
Last Revision: June 17, 2014

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Overview

This policy addresses overruns/Over-the-Limit (OTL) transactions and expenses related to sponsored award administration.

Applicability

This policy applies to all Principal Investigators and research administrators who are responsible for the administration of sponsored programs in accordance with the policy for closeout of awards, as summarized on the Closeout Checklist Form, and Roles and Responsibilities for Post Award Management on the OGCA website (see "Related Links" sections below).

Policy Details

Overruns/Over-the-Limit transactions (OLTs) must be cleared along with the submission of the Award Reconciliation and Review Tool (ARRT) and final FFR/Invoice Packet within 60 days after the award end date. All overruns/OLTs must be cleared on an interim basis at the time expenditures reach the billing limits unless future funding is awarded and would meet the 90-day pre-award spending requirement, so expenditures are not incurred more than 90 days prior to the start of a new period.

If the award administrator does not properly clear overruns/OLTs to their school/department overrun smartkey within 60 days after the award end date, the Office of Grants and Contracts Accounting (OGCA) has the authority to move these overrun/OLT items to the school/department overrun smartkey. This ensures the award is ready for full closeout, final invoicing and the preparation of the Final Financial Reports. Further, in the event the department administrator does not clear interim overruns/OLTs within a reasonable timeframe, OGCA has the authority to move these overrun/OLT items to the school/department overrun smartkey to ensure that appropriate invoicing can be completed. OGCA will notify the relevant Research Administration Services (RAS) unit, department administrator and school business officer one week prior to moving the overrun/OLT item to the overrun smartkey to allow time for the overrun to cleared by the school/department, if desired.

Managing overrun smartkeys is the responsibility of the school/department business officer. Overrun smartkeys should be periodically reviewed, reconciled and cleared to the appropriate smartkeys to be in compliance with this policy. All items/balances within the overrun smartkeys must be cleared by August 15 each year to allow for proper
year-end financial statement close. **Any items/balances remaining in the school/department overrun smartkeys after this date will be reported to the Vice President of Finance, and ultimately to the Ways and Means Committee.**

**Definitions**

**Overrun:** Project/award expenses that exceed the awarded amount. Revenue will not be collected or recognized for amounts over the awarded amount or included in the final amount reported to the sponsor.

**Over-the-Limit (OLT):** An OLT transaction occurs in Compass when an expense has exceeded the contract billing limit (award amount). If an expense, in total, exceeds the contract billing limit, the entire expense will go to OLT status in Compass. OLTs cannot be billed to the sponsor.

**Related Links**

- Current Version of This Policy: [http://policies.emory.edu/7.27](http://policies.emory.edu/7.27)
- [Roles and Responsibilities for Post Award Management](http://ogca.emory.edu/about/rolesandrespons.html)

**Contact Information**

<table>
<thead>
<tr>
<th>Subject</th>
<th>Contact</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarification of this policy</td>
<td>Kerry Peluso, Asc.VP for Research Administration</td>
<td>404-727-0551</td>
<td><a href="mailto:kpeluso@emory.edu">kpeluso@emory.edu</a></td>
</tr>
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**Revision History**

No previous versions of this policy were found.

*Emory University policies are subject to change at any time. If you are reading this policy in paper or PDF format, you are strongly encouraged to visit policies.emory.edu to ensure that you are relying on the current version.*