



Administration and Finance

Policy No: 3701

Effective Date:
January 1, 1994

Revision Date:
N/A

Approved by:
Marc E. Wasserman
Director
Financial Services

Approval Date:
January 1, 1994

Refer Questions to:
Manager
Restricted Funds
410-706-2435

USM Board of Regent's
Policy Reference:
N/A

Policy Name:
Annual Report of Expenditures (ROE)

Policy:
Restricted Fund Accounting will prepare the ROEs. It is the department/Principal Investigator's responsibility to review all ROEs in a timely manner, and to initiate procedures to clear over expenditures and correct errors.

Definitions and Terms:
N/A

Purpose:
To outline the procedures for reconciling Reports of Expenditures (ROE) and clarify the responsibilities involved.

Scope:
To inform granting agencies of how authorized funds were spent, Restricted Fund Accounting prepares Reports of Expenditure (ROE) for all agencies requiring them. Prior to closing an account for a grant or contract, these ROE's must be reconciled between the department's records and the Financial Accounting System (FAS).

Restrictions and Exclusions:
N/A

Responsibilities:
N/A

Related / Impacted Policies:
N/A



Administration and Finance

Policy No: 3701

Policy Name:

Annual Report of Expenditures (ROE) - Procedures

Procedures:

- A. Sixty (60) days prior to the expiration date of a grant or contract, Restricted Funds sends to the Principal Investigator a Termination Notice indicating the balance of that Financial Accounting System (FAS) account as of that date. It is the department's responsibility to validate all encumbrances, resolve over expenditures, and take whatever personnel actions necessary to clear the grant/contract.
- B. Within thirty (30) working days after the end of the reporting period, Restricted Fund Accounting completes a preliminary ROE and sends it to the individual responsible for reconciliation.
- C. Within ten (10) working days of receipt, the department will review the ROE for completeness and accuracy, note any necessary adjustments and attach documentation, sign the ROE, and return it to Restricted Fund Accounting. It is the department's responsibility to eliminate any over expenditures on the FAS account.
- D. If the signed report and documentation for proposed adjustments are not returned to Restricted Fund Accounting within ten (10) days, the department will be contacted by telephone.
- E. If a written response is not received within five (5) additional working days, a second request letter will be sent to the individual responsible for the reconciliation of the ROE. A copy will be sent to the head of the department.
- F. If the department does not respond within five (5) working days after the second written request, the Dean will be informed by letter of the noncompliance. It then becomes the responsibility of the Dean's Office to ensure that the department immediately reviews the ROE.
- G. When the ROE has been reconciled between the department's records and FAS, Restricted Fund Accounting will prepare the official version and send it to the grantor.
- H. Approximately six (6) months after expiration of the FAS account, the Office of Financial Services begins close-out procedures. Quality Assurance (Financial Services) reconciles the FAS account to the ROE. If additional expenses have occurred that cannot be covered by amending the ROE, Quality Assurance will notify the department to cite an account to charge.

Sample Forms:

N/A

Instructions For Completing Forms:

N/A