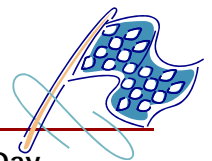




## Tri-Council/University Policies (Eligible and Ineligible Expenses)

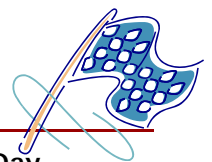
Pat Jones, Research Facilitation Office (Faculty of Nursing/Faculty of Rehabilitation Medicine)/RSO

May 31, 2012 10:30 to 11:45 pm  
2-150 Edmonton Clinic Health Academy (ECHA)





This introductory level session on eligible and ineligible expenses will use the recently updated Tri-Agency Financial Administration Guide and the University of Alberta Policies and Procedures Online website as the main sources of information. Attendees will be made aware of the most common expenses that are eligible to be charged to research grants at the University of Alberta as well as the most common ineligible expenses. As well, participants will be advised on the procedure that must be followed if an ineligible expense is somehow charged to a research grant.





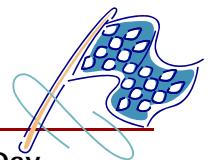
## Where to find information:

2011 Tri-Agency (CIHR, NSERC & SSHRC)  
Financial Administration Guide

[http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/index\\_eng.asp](http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/index_eng.asp)

University of Alberta Policies and Procedures Online (UAPPOL)

<https://policiesonline.ualberta.ca/PoliciesProcedures/Pages/default.aspx>





## Acronyms

CIHR: Canadian Institutes of Health Research

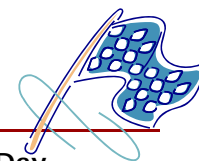
NSERC: Natural Sciences and Engineering Research Council of Canada

SSHRC: Social Sciences and Humanities Research Council of Canada

RSO: Research Services Office

RFO: Research Facilitation Office

UAPPOL: University of Alberta Policies and Procedures Online

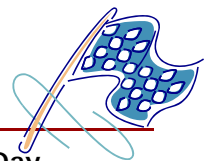




## Every sponsor has their own definition of “eligible!”

The best source of information for eligible (and ineligible) expenditures is documentation from the sponsor (e.g., the contract/agreement, the application guidelines, sponsor websites, etc.).

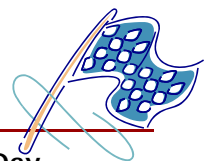
This applies equally to internal (department, faculty or university) and external (donor or sponsoring agency) funding.





Eligible expenses are those expenses that are:

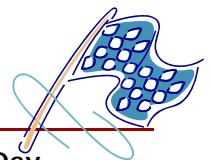
- ✓ associated with the project or program for which the award is made
- ✓ eligible in accordance with the terms and conditions of the agreement
- ✓ necessary to the research endeavour being undertaken
- ✓ reasonable and conform with the financial guidelines of the sponsor and University
- ✓ incurred within the eligible dates of the agreement





On the other hand, ineligible expenses are those expenses that are:

- ❖ not associated with the project or program for which the award is made
- ❖ not incurred within the eligible dates of the agreement
- ❖ not directly related to the research endeavour being undertaken
- ❖ not eligible in accordance with the terms and conditions of the agreement
- ❖ unreasonable and do not conform with the financial guidelines of the sponsor and University

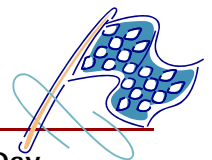




If the sponsor guidelines are silent on a particular expense then the University of Alberta guidelines are followed.

For example, if the sponsor guidelines do not address the eligibility of hospitality expenses then the University guidelines found on UAPPOL will determine whether or not hospitality expenses can be charged to the grant.

<https://policiesonline.ualberta.ca/PoliciesProcedures/Procedures/Hospitality-Expenditure-Procedure.pdf>





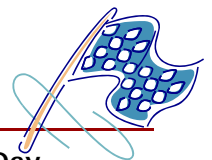


---

Some examples of ineligible expenses per Tri-Agency Financial Administration Guide:

- ❖ Costs associated with thesis examination or defense, including external examiner fees
- ❖ Cell phone or PDA purchase or rental unless they are necessary for data collection (purchase of iPads ineligible)
- ❖ Telephone equipment and line rental
- ❖ Infrastructure costs, administrative (or management) fees
- ❖ Passport and immigration fees
- ❖ Commuting costs for grantees and associated research personnel
- ❖ Office and stationery supplies (certain exceptions apply)

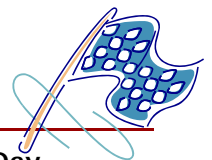
[http://www.nserc-crsng.gc.ca/\\_doc/Professors-Professeurs/ExpenseSupplies-DepensesArticles\\_eng.pdf](http://www.nserc-crsng.gc.ca/_doc/Professors-Professeurs/ExpenseSupplies-DepensesArticles_eng.pdf)





Additional examples of ineligible expenses per Tri-Agency:

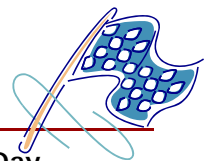
- ❖ Costs of entertainment, hospitality and gifts
- ❖ Costs associated with regulatory compliance, including ethical review, biohazard or radiation safety, environmental assessments, or provincial or municipal regulations and by-laws
- ❖ Costs of moving a lab
- ❖ Sales taxes to which an exemption or rebate applies
- ❖ Costs related to professional training or development, such as computer and language training
- ❖ Any part of the salary, or consulting fee, to the grantee or to other persons whose status would make them eligible to apply for grants.
- ❖ Costs related to staff awards and recognition





## What if I really need a cell phone?

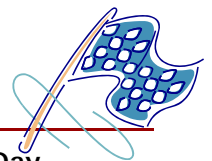
The grantee must apply in writing to the sponsoring agency and request written authorization. If the agency agrees that the cell phone is necessary for data collection and has been supplied with adequate justification by the grantee the request may be approved. Written authorization from the sponsor must be kept on file by the grantee in the event of an audit.





## What happens if an ineligible expense is charged to a grant?

In some cases the ineligible expense will come to the attention of the Research Services Office during the preparation of the financial statement for the sponsoring agency. If this occurs, the grantee will be informed that he/she must transfer the expense to another grant or use some other source of funds to cover the expense. The exact procedure to be followed will depend upon the department in which the grantee holds his/her grant.

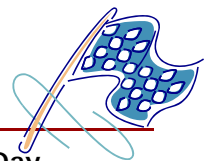




## What happens if an ineligible expense is charged to a grant? (Cont.)

In other cases the ineligible expense will be noticed during the monthly reconciliation performed by the grantee or his/her support staff. At this time the grantee must transfer the expense.

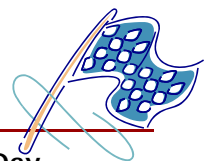
Finally, the expense may be flagged during an agency or an internal audit. The result is the same...the expense must be moved.





## What if an invoice is submitted for payment after the end date of the grant?

In most cases the grantee must request written authorization from the sponsor firstly, to have the expense posted to the grant after the end date. This may be permitted as long as the expense was incurred during the life of the grant and the item was received and used during the life of the grant. Secondly, the grantee must request permission from the sponsor to submit two financial statements: one statement that would cover the life of the grant and all revenue and expenditures posted to the grant prior to the end date and a second statement that would cover the period during which the “late” expense was posted.

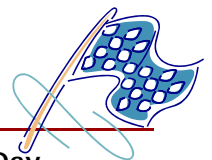




## What if I don't use all the money I was awarded during the life of the grant?

Each sponsor has their own guidelines for the use of funds after the end date. For example, CIHR permits an automatic one year grace period during which a grantee may continue to spend the funds which were awarded. In most cases CIHR will not approve additional extensions beyond the one year grace period. NSERC and SSHRC will permit a one year grace period for many programs.

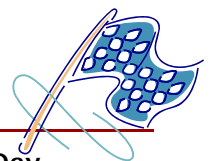
[http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/AnnualFunding-FinancementAnnuel\\_eng.asp#extension](http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/AnnualFunding-FinancementAnnuel_eng.asp#extension)





## What if I don't use all the money I was awarded during the expected fiscal period?

Again, each sponsor has their own guidelines. Depending on the percentage of the annual budget that remains unused at the end of the award period it may be necessary to request written authorization from the sponsor to carry those funds forward to the next award period. Sponsor guidelines must be followed. Tri-Agency guidelines permit some latitude with the budget however "The Agency reserves the right to defer or suspend subsequent installments if the need for funds is not demonstrated." (CIHR reprofiling)



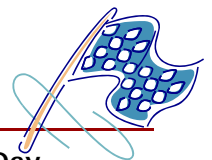




## Where can I find information about sponsor guidelines?

CIHR/NSERC/SSHRC: [http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/FundsUse-UtilisationSubventions\\_eng.asp](http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/FundsUse-UtilisationSubventions_eng.asp)

If you are unable to find information on the agency website regarding the specific expense you are questioning please contact your faculty's Research Facilitation Office.





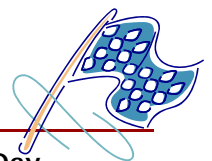
## Other sources of information about sponsor guidelines?

RSO website:

<http://www.rso.ualberta.ca/Managing/UsingFunds/Overexpenditures.aspx>

Research Facilitation Offices for each Faculty:

<http://www.rso.ualberta.ca/en/ContactRSO/RFOs.aspx>





Questions?

Comments?

Concerns?

