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	Deficit Policy
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Purpose

Policy
 Deficits within sponsored project funds are not permitted.

Definitions
 Deficit – project to date available balance less than zero.

Procedures

Procedure: (Terminating Grant in deficit)

1. GCA at the end of each month will determine which grants are in deficit.
2. GCA will forward a letter to the responsible individual and/or PI regarding the deficit requiring offset fund to be submitted within 90 days of the date of the letter to absorb the deficit. If it is discovered that the expense is related to a system error or should have been charged to a different fund, a cost transfer form may be required to be completed. (Please see cost transfer form)
3. Once the fund is supplied to charge the deficit, GCA will charge the supplied account and officially close the sponsored project account.
4. If a fund is not supplied within the specified period of time (90 days), GCA will send a final notice to resolve the deficit.
5. If no fund information is submitted to resolve the deficit within 14 days of the date of the final notice, then GCA will automatically charge the department fund of the responsible individual.

Procedure: (Grants not terminating, but in deficit)

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