Expenditure Deadlines for Sponsored Projects

**OVERVIEW**
Principal investigators are to observe sponsors' expenditure deadlines in order to avoid the possibility of disallowance of items purchased or received near the termination date of agreements. Should a sponsor disallow a purchase, the associated department is responsible for costs incurred.

The following guidelines apply in most circumstances. Principal investigators may contact Sponsored Programs Services (SPS) for more information; telephone 509-335-2058.

The following guidelines apply to purchases made from either WSU or external vendors.

**EARLY EXPENDITURES**
See BPPM 40.23 for information regarding advance expenditure authorizations.

**DEADLINES**
Agreement type and the sponsoring agency's regulations and provisions help define allowable expenditure dates. A principal investigator who does not know what type of agreement he or she has is encouraged to contact SPS for clarification.

**Fixed-Price Agreements**
Contact SPS to ensure that the agreement is a fixed-price agreement.

Allowable expenditure deadlines may be relatively flexible under fixed-price agreements.

**Purchase Order Date**
The purchase order date for equipment, supplies and services must be within the agreement period.

**Services**
Services are to be rendered within the agreement period.

If either of the above is not possible, contact SPS.

**Cost Reimbursable Agreements**
All expenditures must be for the specific purpose of the agreement. Expenditures must be in accordance with the sponsor's specific regulations, terms, and conditions.

The principal investigator must replace stock items well in advance of the termination date to avoid disallowance.

**Purchase Order Dates**
Purchase order dates must not predate the agreement unless specific prior arrangements have been made with SPS (see also BPPM 40.23).
### Expenditure Deadlines for Sponsored Projects

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td>Purchase Order Dates (cont.)</td>
<td>Purchase order dates must provide enough time for items to be received and used prior to the termination date.</td>
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<tr>
<td>Receipt</td>
<td>Equipment, supplies and services must be received and used within the agreement period. Disallowance is a possibility for supplies and equipment received after or close to the termination date.</td>
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<td>Retain documentation relating to receipt of items, e.g., Receiving Report.</td>
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<tr>
<td>Utilization</td>
<td>Failure to utilize consumable supplies within the project period may require either of the following actions:</td>
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<td>• Prorationing of costs and refund to the sponsor.</td>
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<td>• Partial disallowance upon audit, particularly if auditors can demonstrate that items were not used to complete the project.</td>
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<tr>
<td>Project Reports/Results</td>
<td>Funds for project reports or results published after project completion must be encumbered before the termination date.</td>
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