REBUDGETING FOR EQUIPMENT PURCHASES IN LAST SIX MONTHS OF GRANT

All charges to a grant project, particularly in the final months of the project period, must be allowable and allocable as a direct cost to the grant, and be reasonable and necessary for the conduct of grant activities. Equipment may not be purchased simply to use an unobligated balance remaining at the end of the project. If the equipment is for a preponderance of use on the project, then ample time is required to purchase the item, use it and be able to report the results in the final report.

If equipment is purchased during the last 6 months of a project, additional justification will be required from the PI:

- Confirmation whether or not the PI will be requesting an extension.
  - If the project is continuing, no heightened scrutiny would be needed for purchases made late in the current budget period.
- Receipt date of the equipment or expected receipt date of equipment.
  - Note: if the equipment is ordered, but not received by the end of the budget period, it will not be an allowable expense.
- What equipment the PI was using before the equipment purchase or a programmatic reason as to why the equipment was not necessary until now.

Research Administrator is responsible for reviewing guidelines and confirming whether or not sponsor approval is required for equipment purchases.

SPA is currently reviewing equipment purchases made during the last 3 months of a project. SPA will obtain an explanation from the department as to why the equipment was purchased towards the end of the grant and how it was beneficial to the project as a whole. SPA will contact the Research Administrator if additional information regarding the justification, allowability of expenditure, and/or sponsor prior approval is needed to make a determination as the original justification may not relate if purchased was near the end of the budget period. If a late budget revision is processed, SPA relies on the RA to obtain information (as detailed above) to justify the late expense.

Equipment Grants: Due to the purpose of equipment grants, time of expenditures incurred at the end of the project are not scrutinized like they are on other grants.