

STAR Networking – Sharing Perspectives & Strategies in Research Administration

Thursday, June 20, 2024

SCENARIO SPOTLIGHT

You are performing your regular review of financial transactions. It appears that your Principal Investigator (PI) has transactions that include inappropriate expenses. The PI has asked you to charge the following expenses to a SSHRC (Social Sciences and Humanities Research Council) award fund:

- Flight to research location
- 10 iPads delivered to the PI's home address
- Grocery store purchase of 10 bottles of wine (purchased with a PCard)
- Grocery store purchase of baby diapers and infant formula (purchased with a PCard)

You have just started working with this PI, who is new to the University of Toronto. They have felt overwhelmed and stressed with the complexity of the University's research administration landscape.

Questions

- a) How do you identify which expenses are eligible?
- b) What do you do about the expenses that you suspect are ineligible or personal?
- c) How can you work with your PI to prevent a similar situation in the future?

SCENARIO SPOTLIGHT SOLUTION

1) Check the Tri-Agency Guide on Financial Administration (TAGFA) for the general rules related to the use of grant funds that oversee all SSHRC grants. Crucially, consider the four principles governing the appropriate use of grant funds. Grant expenditures must:

- be a direct cost of research for which the funds were awarded, with benefits directly attributable to the grant



- not be provided by the administering institution to their research personnel
- be effective and economical
- not result in personal gain for members of the grant team

Additionally, check the specific SSHRC grant program guidelines for any additional rules/restrictions. For example, if the grant is a SSHRC Insight Grant, one would go to the main Insight Grant program page on SSHRC's website and look to the "Regulations, policies and related information" section of those program guidelines. Then, if the information in the TAGFA and the grant program guidelines don't necessarily apply (like the question concerning how a U of T PI can pay (and be reimbursed) for eligible flight costs), then U of T institutional guidelines would apply.

Check the PI's grant proposal and budget if additional information about the research grant is needed to help determine eligibility of expenses.

2) Check the rules for PCard use, such as:

- a) University travel/transportation expenses – use the Travel & Hospitality card or personal card with costs recovered by expense reimbursement instead
- b) Goods & services for the personal use of an employee
- c) Understand the [prohibited categories](#) for using PCard
- d) The PCard provides a cost-efficient method of paying for low value goods and services, such as:
 - i) Office supplies
 - ii) Lab supplies
 - iii) Furniture
 - iv) Courier fees
 - v) Subscriptions
 - vi) Visa & Permit fees
 - vii) Membership fees
- e) Other rules: A single transaction does not exceed \$10,000 (excluding taxes); The monthly spend limit does not exceed \$50,000 (excluding taxes); Purchases must not be split to circumvent the single transaction limit

3) Ask the PI for clearly documented justification/purpose related to the funded research program for the following items:

- a) Wine
- b) Grocery store purchase
- c) iPads delivered to home address



For example, the TAGFA says that “The cost of alcoholic beverages cannot be reimbursed from agency grant funds”, but this is stated in the context of travel or hospitality related expenses. Does the PI have any research justification for the purchase of wine with SSHRC grant funds as it relates to the funded research project? (i.e., is there a research purpose for the use of SSHRC grant funds related to the purchase of alcohol? Is there a research need? (hint: maybe not, but it depends on the type of research project being conducted and what the objectives of the research are))

- 4) Remove any ineligible charges to correct fund by performing a Journal Entry to reallocate the charge(s) to a different account. For assistance with this, see:
 - a) [Journal entry reference guide](https://utoronto.ancileuperform.com/#/content/1.11.2406) (<https://utoronto.ancileuperform.com/#/content/1.11.2406>)
 - b) [Simulation – account assignment corrections](https://utoronto-admin.ancileuperform.com/ucontent/64692068df0842848f3e08db046a155e_en-US/simulation/html/sim_auto_playback.htm) (https://utoronto-admin.ancileuperform.com/ucontent/64692068df0842848f3e08db046a155e_en-US/simulation/html/sim_auto_playback.htm)

- 5) Provide the PI with relevant resources:
 - a) PCard use (<https://www.procurement.utoronto.ca/programs-and-services/purchasing-card/administrative-regulations>)
 - b) [Tri-Agency Guide to Financial Administration – U of T Resources](https://research.utoronto.ca/engaging-research/tri-agency-policies-guidelines/tri-agency-guide-financial-administration-renewal) (<https://research.utoronto.ca/engaging-research/tri-agency-policies-guidelines/tri-agency-guide-financial-administration-renewal>)
 - c) The grant program guidelines (available on SSHRC’s website) for the specific SSHRC grant the PI holds
 - d) [FAST Lunch & Learn Session Recording \(Navigating Payment Options at the University - PCard, Travel & Hospitality, uSOURCE and Others\)](https://finance.utoronto.ca/fast/fis-training/fast-monthly-lunch-and-learn/) (<https://finance.utoronto.ca/fast/fis-training/fast-monthly-lunch-and-learn/>)
 - e) [Capital Assets Policy](https://finance.utoronto.ca/policies/gtfm/capital-assets/) (<https://finance.utoronto.ca/policies/gtfm/capital-assets/>)
 - f) [U of T Guide to Financial Management](https://finance.utoronto.ca/policies/gtfm/) (<https://finance.utoronto.ca/policies/gtfm/>)