Financial Services Handbook

Common Activities

(other than spending funds)

Carleton
UNIVERSITY

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This handbook provides general information to assist fund holders and administrators in determining the process for common activities, other than spending funds.

Roles and Responsibilities

The fund holder or their delegate is responsible for:

- Ensuring that expenditures are in support of the project being charged

- Complying with all applicable University policies

- Ensuring expenses represent the most effective and economical use of funds

General Principles

- Equipment purchased from a fund is the property of the University

- The University may withhold payment of expenses approved by fund holders that contravene University policies

- The University's Conflict of Interest Policy ensures accountable and responsible use of funds

Related Policies

The following policies are available on the University Secretariat website, listed in alphabetical order:

- Approval and Delegation of Authority Policy

- Conflict of Interest and Commitment

- Equipment Inventory

- Payments to Individuals and Business Entities Policy

- Purchasing Policy

- Travel and Related Expenses Policy

What is a FOAPAL/Index

The acronym FOAPAL stands for Fund, Organization, Account, Program, Activity, Location.

Fund: every research agreement is assigned a unique fund to track revenue and expenses related to the project.

Organization (Org): a number which denotes the department in which the Principal Investigator works. For research projects the Org is a default and will self-populate in most systems.

Account: for research funds, the account is an expense code and will vary depending on the purchase. A list of commonly used account codes is available on the Research Financial Services website, https://carleton.ca/financialservices/research-financial-services/

Program: a number which represents the functional use of the fund for high-level financial reporting. For research projects the program is a default and will self-populate in most systems.

Activity: an optional code that may be used to track different tasks within a fund. An activity code may be up to six characters long, and may be letters, numbers, or a combination of the two. All activity codes for research funds should begin with an R.

Location: not currently used.

Index: a short form of the FOAPAL code, which ties together the Fund, Org, and Program. For research projects the index is the same as the fund number.

Transfer $ Between Operating and Research

Money cannot be transferred into or out of an externally sponsored research fund (funds starting with 3). If a department wants to support a research project, they may either cover particular expenses, thereby leaving more money in the research fund, or transfer money to an internally restricted research fund (funds starting with 18).

To transfer money from an operating fund to a research fund, send an email to the Financial Administrator for your department with the details of what fund should be charged, and what the transfer is for.

Please do not start a Budget Adjustment Request (BAR) and send it to your Financial Administrator as research funds cannot be adjusted using a BAR.

Transfer an Expense

Many research funds have restrictions on the types of expenses allowed and backup documentation required. For this reason, any journal on a research fund is routed to the Financial Administrator for the department to approve before posting.

Rather than inputting a journal through the FAST JV system, you may simply send an email to your Financial Administrator to request the transfer of an expense. Include details of what expense is being moved, and why, and the Financial Administrator will process the journal for you.

Request an Enterprise Fund

Enterprise funds are used for tracking revenue and expenses related to entrepreneurial activities. Examples include laboratory services, space or equipment rental, non-credit course delivery, conferences and workshops.

To request an enterprise fund, fill in the Request for Enterprise Fund form, available in the FORMS section of the Financial Services website. The form must be signed by both the fund holder and the Dean. The Dean's signature on the form is considered to be their pre-approval for hosting an event associated with the enterprise activity, which may or may not include alcohol.

Send the signed form to the Financial Administrator for your department. An electronic submission, and electronic signatures are accepted.

Request an Invoice

An invoice may be required for expense recovery, or for requesting payment of an enterprise activity. All invoicing is done by Research Financial Services. Send an email to the Financial Administrator for your department with the details of who should be invoiced, what work was done, and what time period is covered by the invoice.

Salary Recovery/Course Buyout

Salary recovery occurs when an agreement includes budget to reimburse the University for a Researcher's time spent working on a project. The Researcher is not necessarily excused from teaching duties, it represents salary savings to the University. The amount budgeted for salary recovery is split between the salary and benefit costs for the Researcher.

To claim a salary recovery, send an email to the Financial Administrator for the department. Include the details of where the salary portion of the recovery should be credited.

A course buyout occurs when an agreement includes budget to pay for hiring another person to teach the classes normally taught by the Researcher so that the Researcher has more time to devote to the project. The amount budgeted for course buyout should cover both the salary and the benefits of the Contract Instructor hired to teach the course.

To claim a course buyout, fill in the Course Buyout Confirmation form, available in the FORMS section of the Financial Services website. Send the signed form to the Financial Administrator for the department.

Inter-Institutional Transfers

Inter-Institutional transfers (also sometimes called sub-awards) are agreements that establish the rules to be followed regarding the transfer of funds from Carleton to another institution.

There are two different types of transfers; accountable advances and invoicing agreements. An accountable advance is when the money is sent to the recipient institution in advance of expenses being charged. At the end of the agreement term the recipient institution is required to provide a financial report detailing how the funds were spent. An invoicing agreement is when the recipient institution is expected to incur the expense and then issue an invoice to Carleton for reimbursement.

To request an Inter-Institutional transfer, contact coris@carleton.ca with the details of the type of transfer required. Once an agreement has been negotiated and signed by both parties, OVPRI sends a copy of the fully executed agreement to Research Financial Services. If the agreement is for an accountable advance, the Financial Administrator will issue a cheque. In the event of an invoicing agreement, no further action is required until the invoice is received. Once received, the fund holder submits the invoice for payment through eShop.

Charge User Fees

An enterprise fund may be established to charge user fees in order to cover the cost of operating and maintaining equipment. The fund is held under the title of the department head because the equipment belongs to the department.

User fee rates must be documented in writing. If the fees are not published, a copy should be sent to the Financial Administrator to be kept on file for audit purposes. The Director or Assistant Manager of Research Financial Services are available to assist in documenting these rates if requested.

In order to charge a user fee, send an email to the Financial Administrator for your department with the details of what is being charged to whom and for what time period. The Financial Administrator will transfer the funds internally or send an invoice to an external party.

Contact Us

Research Financial Services:

Website: http://carleton.ca/financialservices/research-accounting/

Email: accounting@carleton.ca

Other Handbooks Available

Getting Started Pamphlet

Professional Expense Reimbursement Handbook
www.carleton.ca/financialservices/business-operations/accounts-payable/professional-reimbursements

Internally Restricted Research Handbook
www.carleton.ca/financialservices/research-accounting/for-researchers-2/internally-restricted-research-irr

Externally Restricted Research Handbook
www.carleton.ca/financialservices/research-accounting/for-researchers-2/externally-sponsored-research

Tri-Agency Handbook
www.carleton.ca/financialservices/research-accounting/for-researchers-2/tri-agency-funding

Other Internal Funding Handbook
www.carleton.ca/financialservices/research-accounting/for-researchers-2/other-internal-funding

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