

## Certification of Expenditures (COE)

A Certification of Expenditures is required upon the expiration of a fixed price agreement with an unspent balance. A COE certifies the total amount expended on a project, including both direct and indirect costs. Sponsored Programs Accounting will not process the COE until the final overhead has posted and the final payment has been received from the funding agency. If the full F&A rate was not approved by the sponsor, we will book the difference up to the negotiated rate. The certification is placed in the file and can be audited at any time to verify that the actual dollars utilized on the project are in line with the proposal and amount awarded. Any material variance may be questioned.

### Steps to completing a Certification of Expenditures:

- 1) In the first blank, enter the total amount expended on the project (include direct and indirect costs).
- 2) In the second blank, enter the Banner fund number.
- 3) In the third blank, enter the residual balance or unspent portion of the award.
- 4) Enter the Fund, Organization, and Program code for the residual balance to the transferred to.
- 5) If the residual balance is greater than 25% of the award amount, provide written justification and form must be approved by the appropriate Vice President.
- 6) Obtain the appropriate signatures from your department.
- 7) Submit the original Certification of Expenditures to Sponsored Programs Accounting at Mail Stop 9602, and keep a copy for your records.

The new Fixed Price and Residual Balance Policy is located at <http://www.policies.msstate.edu/policypdfs/6105.pdf> and on the Sponsored Programs Accounting website under Policies and Procedures <http://www.controller.msstate.edu/sponsoredprograms/pp/>. The new Certification of Expenditure form is located at <http://www.controller.msstate.edu/forms/>.