



CHARLES R. DREW UNIVERSITY OF MEDICINE AND SCIENCE Office of Sponsored Programs

ADVANCE APPROVAL POLICY

Overview:

The Advance Approval (AA) process is available and can be utilized to allow for the continuation of activities and expenses on a project in advance of the official notice of award being received by the University for the next budget year. In addition, all regulatory and compliance issues must be resolved/approved prior to full execution of the AA (i.e., Human Subjects (IRB), Animal Subjects (IACUC), and Financial Conflict of Interest (FCOI)).

The Principal Investigator of a research, training, or public service contract or grant may request permission to spend a specified amount of money during a specified period against an **existing** CDU account number prior to the receipt of a continuation award from the funding agency. This process is not for new awards, only continuation periods of a multiple year award.

An advance approval can be initiated and generated by a CDU Principal Investigator (PI)/Program Director (PD) when there is a multiple year award and a continuation proposal has been submitted to the sponsor within the due date required by the sponsor. The main purpose of the advance approval process is to allow the retention of staff on the project.

The following criteria must be met before the Principal Investigator is authorized to spend funds against an approved project in advance of receiving the award notice for the next budget period. It must be demonstrated that:

- A firm commitment by a funding agency exists to award a contract or grant.
- There is an essential need to advance or commit funds prior to receipt of the award.

Spending within the award period but before a fully executed award document is received by the University is also undertaken at the risk of the PI in the event that the award start date is changed, funding is not received or the funding level is decreased.

Please note: The Advance Approval Form will be processed only if the authorized agency grant or contract administrator can verify the following information to the Office of Sponsored Programs (OSP):

- 1) A firm funding commitment (a letter of commitment)
- 2) A firm start date
- 3) An estimate of when the University might expect to receive the actual award for review, negotiation, if necessary, and formal acceptance.

The Advance Approval Form requires the signature of the Principal Investigator and approval signatures of the following: Executive Vice President for Research and Health Affairs, Dean (College

of Medicine (COM), College of Science and Health (COSH) and School of Nursing (SON)), Office of Finance Controller/CFO and the Chief Operating Officer. The PI is responsible for routing the document to all parties and obtaining the necessary signatures except for the Chief Operating Officer (COO). The partial executed document is then forwarded to the Office of Sponsored Programs for forwarding to the COO for final review and approval signature. Once the approval is obtained by the COO, OSP will contact the sponsor and receive the final determination of the award, upon guarantee from the sponsor that the award is forthcoming, OSP will execute the document and forward to Finance for further processing.

Competing or new awards are not eligible utilizing the Advance Approval mechanism. There must be in existence a multiple year type of award from the sponsor with remaining years of funding indicated on the prior year award notice.

Process Description:

Definitions

Advance Spending: Spending that occurs on an existing award prior to official notification that funding for the second or subsequent time period is approved and obligated by the sponsor. Even when authorized by the sponsor, the recipient institution bears all the risk that the award may not materialize. It is important to assess that risk before engaging in such spending.

INSTRUCTION

Section 1:

CDU Account #: Please list the existing CDU Account # of the proposal for which advance spending is being requested.

Section 2:

Department: Please list the Department from which the proposal was submitted. This is the Department that will administer the project.

Department Contact: Please identify the individual that will be contacted if there are questions regarding the Advance Approval Form.

Contact Phone #: Please list the phone number of the individual listed as the Department Contact.

Contact Email: Please list the email address of the individual listed as the Department Contact.

PI Last Name: Please list the last name of the Principal Investigator.

PI First Name: Please list the first name of the Principal Investigator.

PI Phone #: Please list the phone number of the Principal Investigator.

PI Email: Please list the email address of the Principal Investigator.

Section 3:

Proposal Title: Please list the title of the proposal.

Agency Name: Please list the name of the funding agency that the proposal was submitted to. If the proposal is for a subaward contract/grant, please provide the name of the subcontracting agency rather than the prime agency. For example, if the proposal was submitted to another University, that University would be our "prime agency" who happens to be receiving their funding from another (i.e. "prime") funding source. Please include, (in parenthesis, the name of the "Prime" funding agency.

Reason for Requesting an Advance Approval: Please list the reason/justification for requesting approval to spend/incur expenses in advance of the award document being received by the University. If additional space is needed, attached a paper with the reason/justification indicated.

Section 4:

Award#: Please list the current award number.

Current Account # Please list the current account number associated with the project.

Current Period End Date: please list the end date of the current award.

Alternate Account #: Please list a non-federal, unrestricted number source that can potentially absorb the advanced expenses should the award not be finalized or should "the begin or start date" be later than anticipated.

Section 5:

Proposed Expenditures: Please list the requested advance expenses segregated by relevant account name and sub-account number. These include:

- Academic Salaries (5002)
- Staff Salaries (5001)
- Employee Benefits (5107)
- Supplies and Expenses (6401)
- Equipment (8001)
- Travel (6407)
- Other, specify (6304)

For guidance on the specifics of the various sub-accounts, please contact the Office of Finance.

List the F&A base and the F&A rate percentage. The F&A amount will automatically total and is a Read-Only field.

The Total Proposed Expenditures will automatically total and is a Read-Only Field.

Please note: Advanced Expenses requested can be **limited to three, six, or twelve months based on the letter of commitment from the sponsor and type of award.**

Example for 12-Month Advance Approval -

Section 6:

Total Amount – Anticipated Award and Advance Approval: Please list the total amount (i.e., direct costs plus indirect costs) of the anticipated award. The Advance Approval Total Amount is populated from the Total Proposed Expenditures field in Section 5, and is a Read-Only field.

Begin Date - Anticipated Award and Advance Approval: Please list the begin date (i.e., start Date) of the anticipated award. Please list the begin date of the requested Advance Approval.

End Date - Anticipated Award and Advance Approval: Please list the end date of the anticipated award. Please list the end date of the requested Advance Approval. **Please Note:** A detailed budget and budget justification is required and should accompany this Advance Approval Request.

Section 7:

PI/Department/ Dean Approval Signatures: The Advance Approval Form is to be signed and dated by the Principal Investigator and the Dean (COM/COSH/SON) of the college that the faculty member belongs that is submitting the Advance Approval Form and the Provost

Section 8:

President/VP Approval Signature: The Advance Approval Form is to be signed and dated by the Vice President for Research and Health Affairs and the Chief Operating Officer.

Section 9:

Office of Sponsored Programs Use Only: Not applicable. This section will be completed by OSP.

Please Note: The Advance Approval Form will be processed only if the authorized agency grant or contract administrator can verify the following information to OSP: a firm funding commitment, a firm start date, and an estimate of when the University might expect to receive the actual award for review, negotiation (if necessary) and formal acceptance.

Section 10:

Office of Finance Use Only: Not applicable. This section is to be completed by the Office of Finance. This section details out the account manager, account number and the authorized signature from Office of Finance.