UNIVERSITY OF MAINE

Office of Research Administration

ADVANCE PROJECT POLICY & PROCEDURE

I. Overview

Advance projects give Principal Investigators (PIs) the opportunity to initiate sponsored projects and begin incurring associated expenses prior to institutional acceptance of an award.  In this way, advance projects allow PIs and departments to record and track expenditures directly to a project, eliminating the need to charge costs to, and subsequently transfer costs from other unrelated Peoplesoft chartfields (hereafter referred to as 'chartfield').

Evidence of the sponsor's intent to fund must be included with the advanced project request.

II. Purpose

This policy outlines the procedure for establishing advance projects as well as the accompanying risks and responsibilities of incurring project costs prior to the start date of an award, or the commitment of funds against a grant, contract or other agreement prior to receipt of an executed award document.

Advance Project Fundamentals

## A. Types of Advance Projects

1. Pre-award Project – Allows for charging of expenses to federal and select non-federal sponsored projects up to 90 days prior to the start date of the award pursuant to sponsor specific regulations.
2. Late Award Project - Allows for charging of expenses to sponsored projects prior to receipt of the fully executed award document but not prior to the anticipated start date of the award (except as allowed by the sponsor).

## B. Risks of Using Advance Projects

Uniform Guidance (UG) 2 CFR 200.458 authorizes federal awarding agencies to authorize grantees to incur project costs 90 calendar days prior to the award start date, or more than 90 calendar days with prior approval from the federal awarding agency, **but at the grantees own risk.** Such costs are only allowable to the extent that they would have been allowable if incurred after the date of the award.

The incurrence of pre-award costs in anticipation of a competing or noncompeting award imposes no obligation on the federal granting agency either to make the award or to increase the amount of the approved budget if an award is made for less than the amount anticipated and is inadequate to cover pre-award costs incurred.

## C. Terms for Issuance of Advance Projects

## 1. Acceptance of Financial Risk

a. Prior to the creation of an advance project, the PI's department Chair, or college or school Dean or unit Director must attest to his/her acceptance of the financial risks and responsibilities associated with such a project, and provide a collateral chartfield to accept charges should it become necessary to transfer expenses. **[Note: The collateral chartfield cannot be another sponsored project.]**

b. If, for any reason, the PI does not receive an award, the award is not continued, the award is less than anticipated and inadequate to cover the pre-award/advance spending, or the sponsor does not approve the incurred pre-award/advance expenditures, the collateral chartfield will be charged for all un-reimbursed expenses.

## 2. Sponsor Authorization

a. Before incurring pre-award expenses, the PI must consult with his/her sponsor agency representative to confirm that pre-award expenses are

permissible under the applicable sponsor regulations or terms and provide ORA with written confirmation thereof.

**3. Advance Project Spending**

a. In all instances, the only costs that may be charged to the project budget are those that are:
   i. Included in the approved budget; and
   ii. "Allowable" in accordance with UG, sponsor-specific regulations, University of Maine System APLs, University of Maine Policies.

**4. Regulatory Compliance**

a. Before an advance project will be created, the PI must ensure that all regulatory protocols have been approved by the cognizant University committee or office and are on file with ORA, including:

   i. Conflict of Interest Disclosure(s) for all individuals responsible for the conduct, design, or reporting of the sponsored project;
   ii. Use of Animal Subjects;
   iii. Use of Human Subjects;
   iv. Biohazards, radiation safety, hazardous materials, etc.;
   v. Export control regulations (Office of Research Compliance);
   vi. Intellectual property (Innovation & Economic Development)

IV.   Establishing an Advance Project

A. **Requesting an Advance Project**

1. **OPAS** - The PI must request in writing that an advance project be established by submitting a completed and signed Organizational Prior Approval System (OPAS) Form.

2. **ORA Review and Notification**

   a. In reviewing the advance project request, ORA will consider financial and compliance risks such as:

      i.   The likelihood of the PI receiving the award;
      ii.  The sponsor's funding history with the University;
      iii. Award terms and conditions;
      iv.  Control of scope of work and/or key personnel;
      v.   Publication restrictions and/or confidentiality requirements;

vi.     Intellectual property terms; and
       vii.    Export control.

   **b. Notification**

   ORA will notify the PI as soon as possible after receipt of the OPAS as to the status of the advance project request.  Such notification will include chartfield information if the request is approved, or an explanation of the issues of concern if denied.

4. **Advance Project Management and Monitoring**

   1. The PI is responsible for managing the advance project in a manner consistent with a fully executed award agreement.

   2. ORA, the PI, the department, school or unit, are mutually responsible for communicating with each other on the status of negotiations, award notifications, and acceptance regarding the pending award.

      a. If/when the award is accepted by the University, ORA will remove the advance project from advance status; or

      b. If/when the award is not received or accepted, the PI, department, or school will remove expenses from the advance project within thirty (30) days of receipt of written request from ORA to do so.  If not removed within this time frame, ORA will transfer the expenses from the advance project to the collateral chartfield.

   **Resources**

   OPAS Form - ORA Organizational Prior Approval System (for Requesting an Advance Project)

   2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

   Accounting for Grants & Contracts - University of Maine System business process document