

1. Principal Investigator (PI), in collaboration with departmental administration and the Office of Sponsored Programs (OSP), assesses the potential risk associated with establishing a forward funding chartstring.

Contact your research administrator before completing the forward funding account request form. He or she will help you determine if the sponsor will pay for costs incurred before the start date of the award and whether there is any risk regarding the award start date. Questions that you need to consider are:

- How “firm” is the proposal “start date”? The PI may assume the start date will be the same as the date listed on the proposal, but the sponsor may not process the award in a timely manner. If the grant or contract provided to OSP has a later start date than the one proposed or expected **and** the sponsor will not backdate the contract, any pre-award account charges will be unallowable unless specifically approved by the sponsor, and will be charged to your departmental chartstring.
- What kind of information has the sponsor provided? Official notice of grant award, or informal email or phone call?
- **Note** - If the sponsor’s policy states that the start date of the project is the date of final signature on an agreement, forward funding will not be allowed as the date of the authorizing signature is unknown. In such cases, spending cannot begin until the award or contract is fully executed.

Similar caution applies to forward funding chartstrings for **subcontracts** where a University PI is subcontracted by another organization. Necessary approvals must be obtained at the appropriate level of the award (e.g., sponsoring organization and/or the prime sponsor).

2. PI completes Request for Forward Funding Chartstring ([Form, click here](#))

This form provides OSP with the information needed to review the request and also informs requestors of their obligations if an award is not made or the sponsor disallows expenditures; it also serves as reminder of the University’s employment obligations.

The PI sends the completed form to their research administrator in OSP (113 Bowne Hall) for review and approval.

- **NOTE New Awards:** OSP will use the budget submitted to the sponsor unless otherwise directed by the PI. Subcontract costs are not allowed on forward funding accounts.
- **NOTE Continuation Awards:** OSP will use budgets previously submitted to and awarded by the sponsor. In the event continuing awards are reduced (i.e. NIH), OSP will contact the budget manager to learn what budget category should be used to reduce the award. *OSP will provide the PI and budget manager 48 hours notice to provide this information; if not provided, the reduction will be made at OSP’s discretion.*

3. OSP ensures that criteria for establishing the chartstring are met

The research administrator will review the forward funding request to ensure that all necessary information is provided and confirm that all University and Sponsor regulatory requirements associated with the award have been fulfilled, e.g.,

- Complete and signed Forward Funding Request form, documenting the department’s and dean’s acceptance of forward funded expenditures in the event that the award is not made or the start date is changed;
- Relevant regulatory approvals (human or animal subjects, etc.) confirmed and compared to proposal;
- Signed and submitted Internal Routing and Review of sponsored programs form (formerly the OSP checklist), along with other required documents (e.g., COI and IPA) for named personnel, and in the case of COI for anyone the PI deems to be an investigator; and
- For federal awards, confirm that the forward funding account start date is within the preaward period allowed by the sponsor (e.g., 90days before the requested start date).

4. OSP transmits request to Office of Sponsored Accounting (OSA)

The OSP research administrator will submit the request to OSA; items transmitted will include:

- Detail budget (OSP file copy and sponsor’s)
- Budget narrative
- Abstract

5. OSA processes the request

For new awards: OSA creates forward funding chartstring.

For continuation awards: OSA updates the Grants system to indicate that the continuation is forward funded. Once either action is completed, OSA notifies OSP.

6. OSP notifies PI and others of chartstring setup or continuation

The effective date of a forward funding chartstring will be the date indicated as the “start date” on the forward funding request form, provided that the date requested is within the requested project period or allowable pre-award period.

7. PI charges expenses.

The PI is responsible for assuring that all expenditures to the forward funding chartstring meet the following criteria,¹ which are applicable to all sponsored programs chartstrings:

¹ As per 2 CFR Parts 215 and 220.

- *Allocable*: Cost(s) must have a direct benefit and be directly attributable to the project or activity being performed.
- *Allowable*: Cost(s) must be allowed by sponsor and University policies.
- *Reasonable and necessary*: Cost(s) must be reasonable and necessary for the performance of the project.
- *In accordance with sponsor's regulations*: Cost(s) must be charged in accordance with the sponsor's regulations (including the certification of effort) and the authorized or submitted budget.

Appropriate facilities and administrative costs will be charged on forward funding chartstrings.

Reminder: The University's employment obligations apply to sponsored programs activities and PI/PDs are responsible for complying with these requirements.

8. OSA pre-audit

- OSA will confirm that expenditures occur within the forward funding expenditure period and allowed amount.

9. PI monitors forward funding chartstring.

Expenditures:

- PI and departmental staff regularly review financial reports to ensure that forward funding or preaward expenditures meet the criteria outlined in item #7.

10. Aging Reports

- OSP monitors the age of forward funding chartstrings and follow-ups on the pending award's status with the PI. The PI will be asked to investigate the status of the award with the sponsor. OSP will also facilitate closing of unawarded projects, as necessary, in collaboration with OSA and departmental administrators.

11. Upon award start date or finalization, OSA takes the following actions.

- *If no award is issued*: OSA will transfer the charges to the non-sponsored chartstring provided on the *Request for Forward Funding Chartstring* form. OSA will terminate the forward funding account upon notification from OSP.
- *If some or all forward funding account charges are not allowed by the sponsor*: OSA will transfer the charge to the non-sponsored chartstring provided on the *Request for Forward Funding Chartstring* Form.

- *When the award is issued:* Status is changed to awarded and normal expenditure / billing procedures are instituted. OSP sends award package materials to the PI/PD and budget manager.

GLOSSARY OF TERMS

Disallowed costs: Those charges to an award that the sponsor determines to be unallowable, in accordance with the applicable Federal cost principles or other terms and conditions contained in the award.

Forward Funding Chartstring. A chartstring created in PeopleSoft grants system to charge sponsored expenditures of anticipated awards. Forward Funding chartstrings are identified as such in FAB reports. Once an award is official, the status in PeopleSoft grants changes to awarded status but the chartstring remains the same.

Pre-award expenditures: Costs incurred prior to the start of the project period to facilitate the conduct of an awarded project's objectives. Many federal agencies allow institutions to incur pre-award costs 90 calendar days prior to award without sponsor approval or more than 90 calendar days with the prior approval of the Federal awarding agency.

NOTE: All pre-award costs are incurred at the University's risk (i.e., the awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive an award or if the award is less than anticipated and inadequate to cover such costs).

Project Period: The time period established in an award document during which sponsorship begins and ends.

Forward Funding Request Form ([Form, click here](#))

Optimal Timing for Requesting Forward Funding Chartstrings

New Awards

As soon as realistically and reasonably possible.

- Goal: ensure all personnel are entered into Payroll by award start date and compensated from a "grants" chartstring, and not a suspension account.

Continuing awards

Two months before the end of the budget period.

- Goal: seamless transition and project continuity

Existing awards whose budget period spans two University's fiscal years

February or March (prior to loading the next fiscal year's budget)

- Goal: seamless transition, reduced departmental personnel effort for project management