Advance/At-Risk Account Set up and Extension Procedures and Policy

This document outlines detailed procedures and guidelines regarding the At Risk Policy established by The Research Foundation for The State University of New York ("RF") and made effective as of February 1, 2018, which provides a Principal Investigator an opportunity to initiate sponsored programs and incur expenses prior to the receipt of a formal sponsor award or during the period of time between receipt of an award and the finalization of its terms and conditions. Such advance accounts, also known as At-Risk Awards, facilitate the startup of a sponsored project where a sponsoring agency has provided a high degree of assurance that an award will be approved.

Benefits of setting up At-Risk Awards include the establishment of proper cost centers to eliminate cost-transfers, as well as permitting timely hiring and purchasing activities critical to the successful conduct of the sponsored program.

Any expenditures or liabilities incurred on the At-Risk Award and not subsequently awarded or allowed by the sponsor will be the sole responsibility of the PI's department and/or college that provided the backstop.

When is an advance allowable?

In accordance with The Research Foundation's At-Risk Policy, in order to establish an At-Risk/Advance Award one or more of the following original criteria must exist:

     a. an agreement that is fully negotiated and is in the final process of being executed;
     b. a new budget year of a continuing award;
     c. a new grant for which the award is selected for funding but the award letter has not yet been received;
     d. Projects where work is seasonal or time sensitive in nature.

When is an advance *not* allowable?

There are specific instances when an advance is **not** allowable. An At Risk/Advance Award cannot be established if any of the following conditions apply:

- Award advances will **not** be processed for clinical trials.
- It is evident that the effective start date of the sponsored award/agreement is tied to the date of final signature on the agreement. In such cases spending cannot begin until the award/agreement is fully executed;
- An investigator has a positive financial disclosure that requires clearance by the COI Committee prior to the expenditure of funds; or
- The award includes any terms and conditions that conflict with university policy (e.g. publication, IP).
- The award is being established for agency services, which must be prefunded.

Backstop Procedure

Backstopping of funds is a requirement when a Principal Investigator (PI) requests:

a. the establishment of an At-Risk/Advance Award, or

b. an increase/extension of an active award,

to start or continue work on a project prior to receipt of formal notice of award, agreement or modification/extension from the sponsor. Backstopping sources require department and/or dean approval in the suggested format provided by OSP on the Request Advance Account webpage. OSP reserves the right to verify the source and not to process the advance, should backstopping sources not have enough funds available. When an At-Risk/Advance Award is backstopped, the PI's department and/or college assumes responsibility for all expenditures if the sponsored award is not made, using the backstop source. Note that backstop funds are only utilized when the anticipated sponsored award does not come to fruition or when contracted payments are not received on an existing advance.

The most common backstopping sources can be a non sponsored RF account, departmental fixed price balance awards, or Stony Brook Foundation start up accounts.

Requesting a new advance account

The PI or departmental administrator initiates an advance request by filling out the form in the format provided by OSP on the Request Advance Account webpage, and forward it to OSP@stonybrook.edu. Wet signatures are not required for the form, electronic signature or email approval is accepted.

The myResearch Grants or Agreements process must be completed for the new proposal, and all regulatory requirements (e.g. IRB, IACUC, fCOI etc.) must be satisfied. Once the completed proposal in my Research and the advance request is received, OSP will review the request to make sure that it is complete and includes the necessary information, including the actual start date as confirmed by the sponsoring agency. Once the advance account is established, generally within three (3) to five (5) business days from the receipt of a completed request, OSP/AEU will notify the PI. Upon acceptance of the official notice of award, the Oracle account will be removed from advance/at-risk account status.

Note: Pre-award costs are allowable under many federal grants allowing the institution to incur certain costs up to 90 days in advance of the actual award start date, or in advance of delayed receipt of an award. In the event that the award is not forthcoming, the department or school will be responsible for any pre-award costs incurred.

Requesting an advance on an existing account

The PI or departmental administrator initiates an advance request by filling out the form* in the format provided by OSP on the Request Advance Account webpage, and forward it to OSP@stonybrook.edu. Wet signatures are not required for the form, electronic signature or email approval is accepted.

The myResearch Grants, Awards or Agreements process must be completed for the renewal/continuation/amendment/no cost extension etc., and all regulatory requirements (e.g. IRB, IACUC, fCOI etc.) must be satisfied. An existing Oracle account may be increased and/or extended for up to 90 days while awaiting receipt of sponsor notice (e.g. no-cost extension approval, renewal or

continuation award, amendment). Once the award notice or payment is received from the sponsor, the advance/at risk status is removed and backstopping becomes unnecessary and invalid.

Pending Sponsor Action Award Extension Procedures

This procedure streamlines the administrative steps needed to process certain **award extensions** without increasing institutional risk. Extensions are contingent upon all technical milestones being met and there are no outstanding deliverables to the sponsor (e.g. RPPR, technical reporting, annual fCOI, compliance approvals).

! An extension up to ninety (90) days is generally allowable in between project budget periods when the terms of the original award commit the sponsor to future years of support for specific funding amounts without the need for additional agency approval (e.g. NIH R01). !

If an advance is needed on existing awards, the PI or department administrator sends an email to OSP@stonybrook.edu requesting the advance for the 90 days period in Oracle for a *continuation or supplemental year* on a current federal grant and/or NYS awards, when:

Active *certifications* must be in place or in progress and visible in the appropriate certification system (e.g. IACUC, IRB, COI). If no evidence is tracked by OSP in the certification system, PI will be informed to contact the Office of Research Compliance.

If the sponsor intends to issue a NCE, and documented proof is available, OSP can extend the award for 90 day pending formal approval from the sponsor. Further extension will not be processed if the NCE is not received within 90 days.

Whenever feasible, department administrators should identify continuation and supplemental awards which qualify for an advance.

When should a formal advance request be requested through OSP?

The Award Advance Request is required (automatic award advance is not applicable) for:

- New awards
- Competitive renewal periods
- Transfer-In awards

How is an advance processed?

OSP Specialists will verify that the award meets the required qualifications and do one of the following:

- Establish a budget/modification up to 25% of the expected budget for the period on all awards, and up to 50% on NYS sponsored awards.
- Add new activity Period or extend the existing activity Period, as appropriate

- AEU will send an email notification to the Principal Investigator, Departmental Administrator, with a cc to OSP Specialist and ogm@stonybrook.edu, using the following Advance Award template:

Subject Line: ADVANCE; Award Number; PI Last name, First Initial; Sponsor; Reference Number

An advance and/or extension has been established for the continuation budget period for your award [Award Title] from [Sponsor Name] pending the arrival of the fully executed award agreement. You may continue program progress on this award but remember if for some reason the award agreement is not executed by the sponsor under RF/SBU policy, you are responsible for financing all expenses incurred during the advance period from discretionary funds.

Notification of advance award/project number: [A#]

Period: [AP#]

For additional projects, contact osp@stonybrook.edu for processing

Regards,

The Office of Sponsored Programs

*Form to be submitted with backstopping

Dear OSP,

 I agree to provide backstopping in the amount of $_____(direct and indirect costs), for the project entitled (insert title) _____under PI name_____, under Sponsor name (ex. NSF) _____for existing Award No._____ or (indicate new award) _____for the period of (start date)_____ through (end date)_____ and authorize and understand that account (insert RF non sponsored account numbers) _____will be charged to pay expenditures incurred, only if for whatever reason the funding is not received.