

Office for Sponsored Programs

Pre-award Costs

Principal Investigators/Project Directors (PI/PD) may occasionally have a need to order equipment or to expend other funds on a Federally- or non-Federally-funded project prior to the start date of an award. As appropriate, the University may take advantage of pre-award spending authority granted by the Federal and non-Federal agencies.

Federally-Funded Projects:

OMB Circular A-110 provides for the allowability of pre-award costs. Some agencies may require approval and documentation before any pre-award spending occurs. The PI/PD is encouraged to contact the Office for Sponsored Programs for clarification. If pre-award costs are allowed by the sponsor, appropriate expenses can be charged to a related research budget or departmental/school budget during the pre-award period and then transferred to the new award after it has been established. In some instances, it may be appropriate to set up the new award budget for the purpose of incurring pre-award costs.

Generally, the PI/PD may incur pre-award costs 90 calendar days prior to award, or more than 90 calendar days with the prior approval of the Federal awarding agency, subject to sponsor guidelines and terms of specific award. The Federal awarding agency is under no obligation to reimburse such costs if for any reason the University does not receive an award or if the award is delayed or is less than anticipated and inadequate to cover such costs.

Prior to incurring any costs, the PI/PD should send a written justification to the Office for Sponsored Programs requesting pre-award spending on a pending award identifying the proposal and budget, if necessary, to which the pre-award charges are to be made. The PI/PD must also obtain written assurance from the Department Chair or Dean that the department/school will cover the expenses should there be a problem with the award or awarded amount.

If “expanded authorities” applies, the Office for Sponsored Programs will approve the request with the stipulation that the advanced funding is necessary for the effective and economical conduct of the project and the costs are otherwise allowable. If prior approval is required by the sponsor, the Office for Sponsored Programs will submit the request.

Non-Federally-Funded Projects:

The same need for pre-award spending may arise on non-Federally-funded projects. The Office for Sponsored Programs will work with each PI/PD in determining the non-Federal sponsors guidelines on pre-award costs.

If the sponsor allows pre-award costs, the above guidelines are to be followed.