

UC Davis Policy and Procedure Manual

Chapter 230, Sponsored Programs

Section 06, Advance Account Request

Date: 10/27/11

Supersedes: 12/19/06

Responsible Department: Office of Research

Source Document: [Contract and Grant Manual Chapter 6-300, Expenditure Advance Based on Firm Commitment](#)

I. Purpose

The purpose of this policy is to provide principal investigators the opportunity to plan activities and under certain circumstances begin a project before actual receipt of the award document.

II. Policy

A. The establishment of an advance account and expenditures or commitment of funds for sponsored projects in advance of receipt of a fully executed award document may be approved by the individual identified in [DA 0666](#).

B. Criteria for Approval

An advance account may be established for a project prior to receipt of award only if all of the following criteria are met:

1. There is a compelling reason to expend funds prior to receipt of award.
2. There is verbal or written confirmation to the Office of Research from the sponsor's contract officer or grants management officer that an award is forthcoming.
3. The requested advance dates fall within the sponsor's anticipated award period.
4. The guidelines from the sponsor do not prohibit commitment of funds before a document is fully executed.
5. Expenditures will be in accordance with the expected budget categories and limits, sponsor's guidelines, and UCD policies and procedures.
6. There are funds available within the department, organized research unit, or college/school to cover the expenditures in the event an award fails to materialize.

III. Approval Process

The process for obtaining approval to expend or commit funds prior to receipt of an award may vary according to the sponsor. The general process is set forth below.

- A. The principal investigator prepares a request to expend or commit funds using form 230-06A (available at <http://www.research.ucdavis.edu/documentDisplay.cfm?id=36>,pdf).
- B. The department chair reviews the request and determines whether departmental funds are available to cover the expenses if an award is not forthcoming or is not retroactive to the time of expenditure.
- C. Certain schools/colleges require the dean to approve the request and identify funds to cover the expenditures if none are available in the department.
- D. The request is forwarded to the Office of Research, Sponsored Programs for review and approval.
- E. If approved, the Office of Research transmits an approved copy of the request to the Accounting Office, Extramural Funds. The Accounting Office assigns the appropriate account and fund number and advises the department that expenditures may be made in accordance with the

approved form.

or

- F. If request is disapproved, Office of Research, Sponsored Programs will advise the principal investigator or department contact for the subject project of the reasons for disapproval.

IV. Cost Overrun or Disallowances

- A. Department chairs are responsible for identifying appropriate unrestricted fund sources at the departmental level to cover cost overruns or disallowances that PIs/project directors/other officials are not able to cover with the funds under their jurisdiction (see [Section 330-31](#)).
- B. Deans are accountable for all funds administered by units under their control, including identifying appropriate unrestricted fund sources to cover cost overruns or disallowances that department chairs have not been able to cover with funds under their jurisdiction (see [Section 330-31](#)).

V. PHS Noncompeting Continuation Awards

The Assistant Vice Chancellor—Finance or Assistant Vice Chancellor's designee is authorized to approve continuing expenditures under PHS grants for 2 months when future years of support are indicated in the existing grant award document. If an award is not received within 3 months, the Accounting Office will ask the Office of Research to locate the award.

- A. The Office of Research will contact the appropriate PHS institute to determine that a firm commitment still exists. If funds are guaranteed, the Accounting Office will be advised by the Office of Research to allow expenditures to continue.
- B. If funds cannot be guaranteed by the institute, the Office of Research will send explanation to the Accounting Office, principal investigator, and department chair, and no further expenditures will be allowed.

VI. References

- A. UC Office of the President:
 - 1. [Contract and Grant Manual Chapter 6-300, Expenditure Advance Based on Firm Commitment.](#)
 - 2. [DA 0666, Delegation of Authority—Expenditures Against Firm Commitments Under Contracts and Grants.](#)
- B. [UCD Policy and Procedure Manual Section 330-31, Administration of Contract and Grant Projects.](#)