Session 1: Coffee with Colleagues

“I have the money but not the time, what do I do?”
A conversation on carryovers and no cost extensions

January 22, 2018
Hiebert Lounge
Topics

### Carryover
- NIH Process
  - Examples of NIH Automatic Carryover
  - Examples of NIH Carryover Requiring Prior Approval
- NSF Process
- Non-Federal Process
- Process for when BU is the subrecipient

### No Cost Extension
- NIH Process
  - No Cost Extension Requests
  - Examples of NIH 1st and 2nd No Cost Extension Requests
- NSF Process
- Non-Federal Process
- Process for when BU is the subrecipient
Un obligated funds remaining at the end of any budget period that, with the approval of the sponsor or under an automatic authority, may be carried over to the next budget period to cover allowable costs of that budget period.

Obligated/Committed funds are not considered carryover (for instance, funds already obligated to subcontracts during that period).

The term “carryover” is synonymous with “carryforward”
The Notice of Award (NOA) dictates whether Boston University has automatic carryover or if it requires prior approval.

**Does the NOA indicate automatic carry forward?**

- **YES**
  - If the carryover is automatic then BU assigns one internal order number (IO) for the life of the award.

- **NO**
  - When carryover requires prior approval, separate IOs are created for each year. BU would need to request approval from NIH to carryover funds from the prior year to the current year. Once approved, we would receive a revised NOA, deobligate from the previous IO, and attribute the additional funds to the current IO. Examples of NIH grant mechanisms requiring prior approval are U and P awards.
Examples of NIH Automatic Carryover vs. Carryover Requiring Prior Approval

**NOA Example of Automatic Carryover**


Research and Development (R&D): All awards issued by the National Institutes of Health (NIH) meet the definition of “Research and Development” at 45 CFR Part § 75.2. As such, auditees should identify NIH awards as part of the R&D cluster on the Schedule of Expenditures of Federal Awards (SEFA). The auditor should test NIH awards for compliance as instructed in Part V, Clusters of Programs. NIH recognizes that some awards may have another classification for purposes of indirect costs. The auditor is not required to report the disconnect (i.e., the award is classified as R&D for Federal Audit Requirement purposes but non-research for indirect cost rate purposes), unless the auditee is charging indirect costs at a rate other than the rate(s) specified in the award document(s).

This institution is a signatory to the Federal Demonstration Partnership (FDP) Phase VI Agreement which requires active institutional participation in new or ongoing FDP demonstrations and pilots.

An unobligated balance may be carried over into the next budget period without Grants Management Officer prior approval.

This grant is subject to Streamlined Noncompeting Award Procedures (SNAP).

**NOA Example of Carryover Requiring Prior Approval**

This institution is a signatory to the Federal Demonstration Partnership (FDP) Phase VI Agreement which requires active institutional participation in new or ongoing FDP demonstrations and pilots.

This award was issued as a non-competing continuation with a change in document number. This change was made solely to accommodate the HHS mandate to transition award payments to Payment Management System (PMS) subaccounts. Expenses for the project period should be treated as if this were a non-competing continuation award (e.g., Type 5). A Subaccount Transitional Federal Financial Report (FFR) is required for the previous budget period to complete the transition. Recipients must use the SF-425 as they would for an interim or annual FFR and enter “Subaccount Transitional FFR” in box 12. This report covers grant funds in the pooled account and is used by NIH to end the grant’s association with the pooled PMS payment account and transition award payments to the PMS subaccount established for the grant, including transferring any carryover funds and unliquidated obligations remaining in the pooled account. It is due within 90 days of the end of the calendar quarter in which the last budget period prior to this NoA ended. For more information, please refer to Notice NOT-OD-15-105.

Carry over of an unobligated balance into the next budget period requires Grants Management Officer prior approval.

This award is subject to the requirements of 2 CFR Part 25 for institutions to receive a Dun & Bradstreet Universal Numbering System (DUNS) number and maintain an active registration in the System for Award Management (SAM). Should a consortium/subaward be issued under this award, a DUNS requirement must be included. See [http://grants.nih.gov/grants/policy/awardconditions.htm](http://grants.nih.gov/grants/policy/awardconditions.htm) for the full NIH award term implementing this requirement and other additional information.
### NIH Automatic Carryover - BU Account Notification (AN)

#### Date: 09/27/2016

**Transaction Type:** New  
**SAP Grant Number:** [H45]

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**Dept. Admin:**  
**Comment in AN**

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**Total Obligated Change Amount:**  
200,000.00  
129,000.00  
329,000.00

**Cumulative Obligated Amount for Grant [H45] as of this action:**  
**Obligation Start/End:** 09/27/2016-08/31/2017  
**Obligated Direct:** 200,000.00  
**Obligated F&A:** 129,000.00  
**Obligated Total:** 329,000.00

**Anticipated Amount for Grant [H45] as of this action:**  
**Project Start/End:** 09/27/2016-08/31/2019  
**Anticipated Direct:** 600,000.00  
**Anticipated F&A:** 388,166.00  
**Anticipated Total:** 988,166.00

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#### Date: 09/12/2017

**Transaction Type:** Continuation  
**SAP Grant Number:** [H45]

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**Dept. Admin:**  
**Yr 2**

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**Total Obligated Change Amount:**  
200,000.00  
129,000.00  
329,166.00

**Cumulative Obligated Amount for Grant [H45] as of this action:**  
**Obligation Start/End:** 09/27/2016-08/31/2017  
**Obligated Direct:** 400,000.00  
**Obligated F&A:** 258,166.00  
**Obligated Total:** 658,166.00

**Anticipated Amount for Grant [H45] as of this action:**  
**Project Start/End:** 09/27/2016-08/31/2019  
**Anticipated Direct:** 600,000.00  
**Anticipated F&A:** 388,166.00  
**Anticipated Total:** 988,166.00

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**Prior Approval Terms**  
Carryover allowed during entire project period. If unobligated funds to be carried over are in excess of 25% of current year’s total budget, grantee must, on annual progress report, provide the estimated unobligated balance, an explanation, and indicate plans for expenditure. See RPPR Instruction Guide.
NIH Carryover Requiring Prior Approval BU AN

Date: 11/13/2015
Funds Center: [BLANK]
INVESTOR(S): [BLANK]
Sponsor NIH: [BLANK]
Prime Sponsor: [BLANK]
Sponsor Award Id: [BLANK]
Yr 1
Different IO
Cumulative obligated amount in Grant.

Date: 08/12/2016
Funds Center: [BLANK]
INVESTOR(S): [BLANK]
Sponsor NIH: [BLANK]
Prime Sponsor: [BLANK]
Sponsor Award Id: [BLANK]
Yr 2
Same grant number

Different IO

Cumulative obligated amount in Grant.

Same grant number

Different IO

Cumulative obligated amount in Grant.

Prior Approval Terms
Carryover requires Sponsor prior approval

Comment in AN
NSF grants are awarded as either a lump sum or incrementally funded awarded.

In both cases, automatic carryover is granted and one IO is issued for the life of the award. If NSF restricts carryover, it will be noted in the NOA.

NOTE: Restricted carryover for NSF grants is rare.
The Award Agreement dictates whether Boston University has automatic carryover or if it requires prior approval from the sponsor.

Non-federal awards vary dramatically with their guidelines; thus, the department should always reference the Award Agreement and discuss with their Sponsored Programs RA.

The department and Sponsored Programs RA will determine the next steps and seek approval if needed.

If an approval is required, the department should provide the required information.

The Sponsored Programs RA will then submit the information and send the carryover for internal processing once approved by the sponsor.
When BU is the subrecipient

Review the NOA to determine the terms and conditions associated with carryover.

If automatic carryover is not automatically granted to BU, a request has to be made to the prime recipient/pass through entity.
A no-cost extension (NCE) extends the project period beyond the original project end date at no additional funding level. Usually occurs when the following conditions are met:

- The end of the project period is approaching, AND
- There is a programmatic need to continue the research, AND
- There are sufficient funds remaining to cover the extended effort

*No Cost Extensions should not be requested just because there is money left over, a programmatic benefit must be justified.
NIH Process

1st NCE

Sponsor approval not required (if justified and funds are available)
Processed in eRA Commons by OSP RA
No revised NOA is issued, it is reflected in eRA Commons

2nd, 3rd NCE

Requires additional justification/prior approval to be submitted to NIH. PI discussion with NIH PO is recommended
Requested in writing
Revised NOA issued

- Boston University requires an Institutional Prior Approval Request (IPAR) form to be completed by the department to initiate the NCE request. This should be completed by the department and sent to Sponsored Programs ospera@bu.edu
- Once the NCE is confirmed in eRA commons, Sponsored Programs sends the IPAR/NCE confirmation for internal processing and a revised AN is sent out to the department.
Dear Ms. Hahn,

We are requesting a 6-month extension for the award. An unexpected delay resulted from
my short-term absence due to personal reasons. We are requesting the extra time to complete experiments to characterize the mechanism of an unexpected increase in mortality among
subjects at high risk for heart failure. This experiment is part of specific aims of the grant proposal.

This project is currently a clinical trial for treatment of heart failure. There is limited data on the
specifics of different immunophenotypes in the study population. Our initial findings, which were presented at the
Society for Experimental Biology, few weeks ago, generated a great deal of interest and resulted in the
consideration of this request. We are requesting an extension to assess whether the findings are
applicable to the specific population being studied. This extension will allow us to complete
additional experiments and collect more extensive data.

Please see the next page for detailed listing of how the remaining funds will be spent.

Sincerely,

[Signature]

[Name]

[Institution]

June 26, 2017

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Example of NOA Term

SECTION IV - HL Special Terms and Conditions -- REVISED

REVISION #1 - SECOND AND FINAL NO COST EXTENSION WITHOUT FUNDS

This revised award is issued to approve the 2nd no-cost-extension and change the budget and
project period and dates from 03/26/17 to 06/26/17 per the revised letter dated 06/29/16. This will be
the final extension for this project and no further extensions will be considered by the
NHLBI. The recipient is reminded that all regulatory assurances must be current or costs will be
disallowed. This notice of award supersedes the NOA issued on 03/17/15.
Grantees may authorize a one-time extension of the grant of up to 12 months additional time beyond the established end date.

A 2\textsuperscript{nd} or 3\textsuperscript{rd} NCE can be requested, but requires additional justification in research.gov.

*Grantees are not authorized to extend an award that contains a zero balance.

- Boston University requires an Institutional Prior Approval Request (IPAR) for to be completed by the department and sent to Sponsored Programs osperea@bu.edu for internal processing
- Once the NCE is authorized by NSF, Sponsored Programs sends the IPAR/NCE confirmation for internal processing. A revised NOA is not issued, it is reflected in research.gov. A revised AN will be issued to the department.
Non-federal sponsors vary dramatically when it comes to the procedure associated with requesting a no cost extension. Due to the varying guidelines, the department should always review the award agreement first and discuss with their Sponsored Programs RA.

The department and sponsored programs RA determines the next steps. Is sponsor approval needed? If yes...

An Institutional Prior Approval Request (IPAR) must be completed and approved by the department and sent to sponsored programs ospera@bu.edu

The Sponsored Programs RA will submit for internal processing. This step may be on hold if we are waiting for sponsor approval for the NCE.

A revised AN is issued to the department after the approved NCE is processed internally.

**Non-Federal No Cost Extension Award Example**

**No-Cost Extension:** A no-cost extension for an additional six (6) months may be permitted upon request to The Medical Foundation division in writing or by email prior to the project end date. This communication should include an explanation for the extension, a statement of the unexpended balance, and a timetable illustrating its anticipated disbursement over the specified period of time.
When BU is the Subrecipient

The prime recipient/pass through entity determines if it will grant BU a NCE at the end of our project period.

- BU can receive a NCE when the prime organization receives a NCE for their project period and is willing to pass it down to the subrecipient. BU can also receive a NCE from the prime organization when our project end date occurs before the prime recipient’s project end date.

- BU’s agreement should be reviewed prior to initiating this request, the process usually starts with Sponsored Programs reaching out to the prime recipient after discussions with the PI/DA.
Questions / Resources

Link to IPAR Form