



ADVANCE FUNDING POLICY

Policy # RE.005.1

Responsible Executive:
Vice President for Research, Innovation,
and Economic Development
Research, Innovation,
and Economic
Responsible Office: Development
Originally Issued: 12/6/2022
Latest Revision: 12/6/2022

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I. Policy Statement

This Policy outlines how to access Advance Funding for an approved Sponsored Program before the funds are released by the Sponsor.

II. Purpose of Policy

The University of Louisiana at Lafayette (“University”) acknowledges that there may be occasions in which the Principal Investigator (“PI”) of an Approved Award for a Sponsored Program desires to begin performance on the Sponsored Program before the funds are released from the Sponsor to the University. The Office of Vice President for Research, Innovation, and Economic Development (“OVPRIED”) endeavors to accommodate these occasions by approving Advance Funding under certain terms and conditions. This Policy and its procedures are provided to facilitate the Advance Funding request and to meet internal control processes.

A. Advance Funding vs. Pre-Award Costs

This Policy applies to situations where both Advance Funding and Pre-Award Costs may be deemed necessary. PIs shall follow the procedures set forth in Section V below in the following situations:

- Where the PI requires Advance Funding if the Approved Award is imminent but delayed beyond the anticipated start date.

or

- Where the PI must incur Pre-Award Costs prior to the anticipated start date of the Sponsored Program as Sponsor terms and conditions and federal authorities’ guidelines permit.

B. PI Assurances for Advance Funding or Pre-Award Costs

By initiating a *Request for Advanced Banner Fund Form* in order to obtain approval for Advance Funding or Pre-Award Cost, the PI agrees that:

- The PI has authority to initiate the needed action;
- The PI will make required assurances with respect to both fiscal and non-fiscal compliance;
- An Approved Award is anticipated or currently being processed;
- The request is consistent with the Sponsor's policy and award terms and conditions; and
- The information provided in the request is complete, accurate, and related to the Approved Award.

If a Sponsor fails to make the funds available for an approved Sponsored Program, the Advance Funding that was expended may be recouped from OVPRIED.

Advance Funding will not be used to authorize retroactive expenditures/commitments or transfer of expenditures when an Advance Funding account was not approved/established.

III. Applicability

This Policy applies to all PIs.

IV. Definitions

1. **Advance Funding**: is the funding needed to commence or continue work on a Sponsored Program on or after the Sponsor approved start date and when the Notice of Award ("NOA") has been delayed by the Sponsor.
2. **Approved Awards**: are awards in which the PI has received notification from the Sponsor that Sponsored Program is imminent, and the formal notice of award has not yet been received.
3. **Pre-Award Costs**: are those costs incurred prior to the effective date of a Sponsored Program directly pursuant to the negotiation and in anticipation of the award where such costs are necessary for efficient and timely performance of the scope of work. Pre-Award Costs are allowable only to the extent that they would have been allowable if incurred after the effective date of the Sponsored Program and only with the written approval of the Sponsor. If charged to the award, these Pre-Award Costs must be charged to the initial budget period of the award, unless otherwise specified by the Sponsor.
4. **Co-Principal Investigator ("PI")**: is the individual who shares the responsibility for the Sponsored Program with the PI and therefore require the same qualifications referenced within the Principal Investigator Eligibility Policy.
5. **Employee**: is any classified or unclassified faculty or staff member of the University.
6. **Principal Investigator ("PI")**: is the individual responsible for the conduct of the Sponsored Program.

7. **Sponsor:** is the government agency, foundation, business, corporation, or private individual that takes on legal responsibility for the initiation, management, and/or financing of research pursuant to a Sponsored Program.
8. **Sponsored Program:** is a contract, grant, cooperative agreement, or other external funding that comes from a government agency, foundation, business, corporation, or private individual that typically requires the following:
 - A Statement of Work and delivery of a product or service;
 - The delivery of a program report that includes, but is not limited to results, data, findings, surveys, and financial information, which often provides a tangible benefit to the funder;
 - Specific commitments regarding the levels of personnel efforts or University assets;
 - Stipulations regarding data, publications or intellectual property such as inventions, patents, certain copyrights or licenses;
 - A defined period of performance with effective start and end dates;
 - Facilities and administrative costs or indirect cost funds; and
 - Routing and approval of a proposal through the Office of Research and Sponsored Programs.

V. Policy Procedure

A. Requesting Advance Funding

In order to make requests for Advance Funding, PIs are required to complete the *Request for Advanced Banner Fund Form* (the “Form”) prior to incurring any expenses. The PI must also attach written documentation from the authorized agents of the Sponsor stating that the NOA is imminent to the Form.

The completed Form is submitted to the PI’s Post-Award Specialist in the Office of Sponsored Programs Administration and Compliance (“SPFAC”) for review. Approval of the Form will be based on a determination of the likelihood of funding from the Sponsor and/or the extenuating circumstances for the delay in receipt of the NOA.

After review of the Form, the PI will receive a written or e-mail notification of the outcome from SPFAC. If approved, SPFAC will set-up of a new account or augment the budget of an existing account. If denied, SPFAC will notify the PI and include a brief explanation for the denial. The PI is prohibited from incurring any expenses until the Form is approved.

B. Pre-Award Costs

Any Pre-Award Costs incurred must be in accordance with the terms and conditions of the Sponsored Program and must be included in the approved budget.

Pre-Award Costs are normally allowable under most federal Sponsored Programs, and may be incurred at the University’s own risk if such Pre-Award Costs: 1) are necessary to conduct the Sponsored Program and 2) would be allowable under the Sponsored Program, if awarded, without Sponsor prior approval. In all pre-award situations, the Sponsor expects the University to be fully aware that Pre-

Award Costs result in borrowing against future support and that such borrowing must not impair the University's ability to accomplish the Sponsored Program objectives in the approved time frame or in any way adversely affect the conduct of the Sponsored Program. *All Pre-Award Costs require the explicit approval of the Sponsor to allow such costs. SPFAC shall be responsible for obtaining such Sponsor approval.*

Only in rare circumstances will summer salary for senior personnel (PIs & Co-PIs) be approved for Advance Funding.

C. Compliance Requirements

The PI is responsible for obtaining all required compliance approvals (i.e., Institutional Animal Care and Use Committee ("IACUC"), Institutional Review Board ("IRB"), Institutional Biosafety Committee ("IBC"), and Radiation Safety Committee) prior to incurring expenses in Advance Funding or Pre-Award Costs.

D. Monitoring

Advance Funding expenditures or Pre-Award Costs incurred in advance of a Sponsored Program award must be monitored by the PI, or their designee.

VI. Enforcement

The Vice President for Research, Innovation, and Economic Development ("VPR") is responsible for enforcement of this Policy.

Failure to comply with this Policy may result in sanctions which may include, but not be limited to, disciplinary action up to termination of employment, as may be determined by the Provost and Vice President for Academic Affairs upon the recommendation of the VPR in consultation with the Office of Human Resources.

VII. Policy Management

Upon adoption, the VPR shall be the Responsible Executive for this Policy. The Assistant Vice President for Research, Innovation, and Economic Development shall be the Responsible Officer for the policy. The OVPRIED is the Responsible Office for this Policy.

VIII. Exclusions

This Policy does not apply to Employees working on or pursuant to consultant agreements, institutionally funded agreements, and on unfunded research.

IX. Effective Date

This Policy shall apply effective upon adoption.

X. Adoption

This policy is hereby adopted on this 12/6/2022.

DocuSigned by:

Joseph Savoie

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Dr. E. Joseph Savoie
President

XI. Appendices, References and Related Materials

- ✦ Request for Advance Banner Fund Form
- ✦ Principal Investigator Eligibility Policy

XII. Revision History

- ✦ Adoption of Advance Funding Policy: 12/6/2022 (RE.005.1).