

UNIVERSITY OF ALASKA SOUTHEAST

Information Manual for Research and Other Sponsored Projects *Updated: October 2007*

BG 3: Awards and Preaward Costs

Awards

Notification of award should be sent to the Budget and Grant Office by the awarding agency. If however, the award notification is sent directly to the PI, that PI must send any original hard-copy paperwork to the Budget and Grant Office immediately, or forward any electronic awards. The Budget and Grant Office Director has been delegated authority by the Vice Chancellor for Administrative Services to accept awards on behalf of UAS. Modifications to awards should follow the same procedure.

The Budget and Grant Office receives the proposed award document from the agency, a copy of the proposed award will be sent to the unit prior to acceptance for comment on the terms and conditions regarding the principal investigator's (PI) responsibilities.

The Budget and Grant Office reviews all clauses of the document and calls to the attention of the unit any unusual limitations or changes to the proposal that may cause problems. The Budget and Grant Office will negotiate on questionable clauses with the funding agency prior to acceptance of the award.

After acceptance of the award by the University of Alaska Southeast, The Budget and Grant Office will return the required documents to the funding agency. See Appendix A for details of the routing procedures for approval and acceptance of grants, contracts, and other agreements.

Pre-award Costs

Under OMB Circular A-110, Sub-Part C, Section 25, (e), recipients of awards may incur expenses associated with start-up of the project as follows:

“Except for requirements listed in paragraphs (c)(1) and (c)(4) of this section, Federal awarding agencies are authorized, at their option, to waive cost-related and administrative prior written approvals required by this Circular and OMB Circulars A-21 and A-122 .

Such waivers may include authorizing recipients to do the following:

- (1) Incur pre-award costs 90 calendar days prior to award or
- (2) more than 90 calendar days with the prior approval of the Federal awarding agency.

All pre-award costs are incurred at the recipient's risk (i.e., the Federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive an award or if the award is less than anticipated and inadequate to cover such costs).”

Letters of Assumption

The school/department may opt to assume financial liability for project expenses for up to 90 calendar days prior to receiving the actual award. The sponsoring agency will have communicated in writing, a notice of intent to award. The school/department may submit set-

up documentation accompanied by the form letter, Assumption of Liability, and provide proof of that “intent to award” by the sponsoring agency.