



Preparing people to lead extraordinary lives

****Portions of the language below was extracted from the NIH Grant Policy Statement, OMB Circular A21 and OMB Circular A-110***

“Request for an Advance Accounting Unit”

A department/investigator may, at its own risk, request an Advance Accounting Unit (AU) if it is certain that an award will be made. Please include verification of a possible award, for example: a letter of confirmation or a copy of an e-mail confirmation. The purpose of an advance account is to allow a project to incur obligations and expenditures to cover costs up to 90 days before the beginning date of the budget period of a new or competing continuation award including transfer grant (Change in Grantee Institution) and if such costs:

- *are necessary to conduct the project, and*
- *would be allowable under the grant, if awarded, without Agency prior approval.*

The department must provide a guarantee account number to cover expenses in the event a project is not funded as anticipated. The guarantee account being used should be a departmental account or a discretionary account such as General Development Fund. A copy of Relinquishing Statement (PHS 3734) submitted to the Agency will be required before the Advance Account is set up for transfer grants Change in Grantee Institutions.

If the continuation grant (federal/state) does not require creation of a separate accounting unit, this form can also be used to guarantee the payment of an overrun in an existing accounting unit pending the receipt of continuation grant.

If specific expenditures would otherwise require prior approval, the department/investigator must obtain written prior agency approval before incurring the cost. Agency prior approval is also required for any costs to be incurred more than 90 days before the beginning date of the initial budget period of a new or competing continuation award. The Advance Accounting Unit may be inactivated if the notice of grant award is not received within 90 days of the anticipated start date.

The Advance Expenditure Authorization form must be completed and must be submitted to the Office of Research Services for review and endorsement. **This policy is only applicable to the accounting units that will be funded by state and federal granting agencies including pass-through.**



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P.I.'s Name: _____ Dept: _____

Federal Funding Agency: _____ Date: _____

This authorization form may be used to establish a new accounting unit or continue expenditures on an existing accounting unit (e.g. no cost extension, non-competitive or federal pass through) prior to the receipt and acceptance of an award from the Funding Agency mentioned above.

- No funds can be allocated prior to 90-days before the authorized start of the grant (the 90-day rule) unless the Funding Agency's written prior approval is obtained.
- The guarantee account will be designated as a default account that will cover all expenses paid in the pre-award period if the grant is NOT awarded within 90-days or at all.
- Principal Investigator is responsible for keeping expenditures to essentials during this period in which Loyola University of Chicago is at risk. **Equipment purchases will not be allowed for Advanced Accounting Units.**

1) The anticipated start date _____ and the ending date _____ of the grant.

2) Guarantee Account: Accounting Unit: _____ Description _____

Expenditure Ceiling \$ _____
3/12th of the estimated annual proposed budget

3) LU# (Stritch) PTAP# (Lakeside) _____

CERTIFICATION OF RESPONSIBILITY:

I hereby authorize Sponsored Program Accounting (SPA) to transfer expenses to the above guarantee accounting unit in the event that either of the following occurs:

1. Pre-award expenses authorized occur outside of the "ninety-day rule"
2. Complete documentation (i.e., Notice of Grant Award or fully executed grant/subcontract/contract agreement) not received within ninety days of grant having been established it is understood that these expenses will be transferred to the grant upon receipt of the completed documentation. **Sponsored Program Accounting (SPA) is required to notify guarantor two weeks in advance of above action.**

Guarantor _____
Printed Name of guarantee account holder

Guarantor _____ Date _____
Authorized signature of guarantee account holder

Principal Investigator Signature: _____ Date _____

Office of Research Services: _____ Date _____

SPA Approval: _____ Date _____ Assigned AU# _____