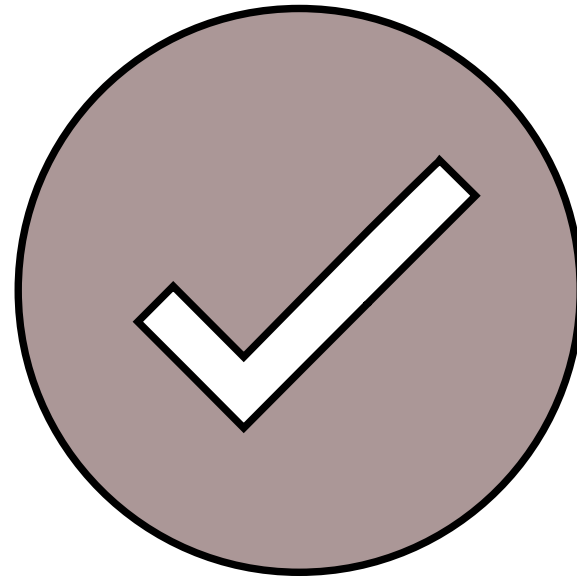




# PRIOR APPROVALS FOR FEDERAL GRANTS

Liz Grinstead  
Grant & Contract Officer  
Office of Sponsored Programs

March 17<sup>th</sup>, 2022





Prior  
[ prahy-er ]

*adjective*

preceding in time or in order; earlier or former; previous:

Synonyms:

Preceding, Previous, Ahead, Before



# What about a post-prior approval?



I already did the thing... but didn't get permission ahead of time from my sponsor. What do I do?

**POST PRIOR APPROVAL DOES NOT EXIST**

**THIS IS ASKING FOR FORGIVENESS and APPROVAL  
AFTER THE FACT**

There is no guarantee that the sponsor will approve the request



# When Do I **NOT** Need Prior Approval

- **READ YOUR AWARD TERMS AND CONDITIONS**
- FDP Prior Approval Matrix
- Expanded Authorities
- Uniform Guidance
- Know Your Federal Sponsor!

FDP Prior Approval Matrix is Your Friend

[https://www.nsf.gov/bfa/dias/policy/fedrtc/appendix\\_a.pdf](https://www.nsf.gov/bfa/dias/policy/fedrtc/appendix_a.pdf)

## **§200.308(d)(4)**

Federal awarding agency is authorized... to waive prior written approval... Such waivers may include...

For Federal awards that **support research**, unless the Federal awarding agency provides otherwise in **the Federal award or in the Federal awarding agency's regulations**, the **prior approval requirements** described in paragraph (d) are **automatically waived** (i.e., recipients need not obtain such prior approvals) unless one of the conditions included in paragraph (d)(2) applies.

- 90 Days Pre-Award Spending
- One-Time 12 Month NCE
- Carry Forward of Unobligated Funds into Subsequent Funding Periods



## So - what is the difference between Expanded Authorities and FDP?

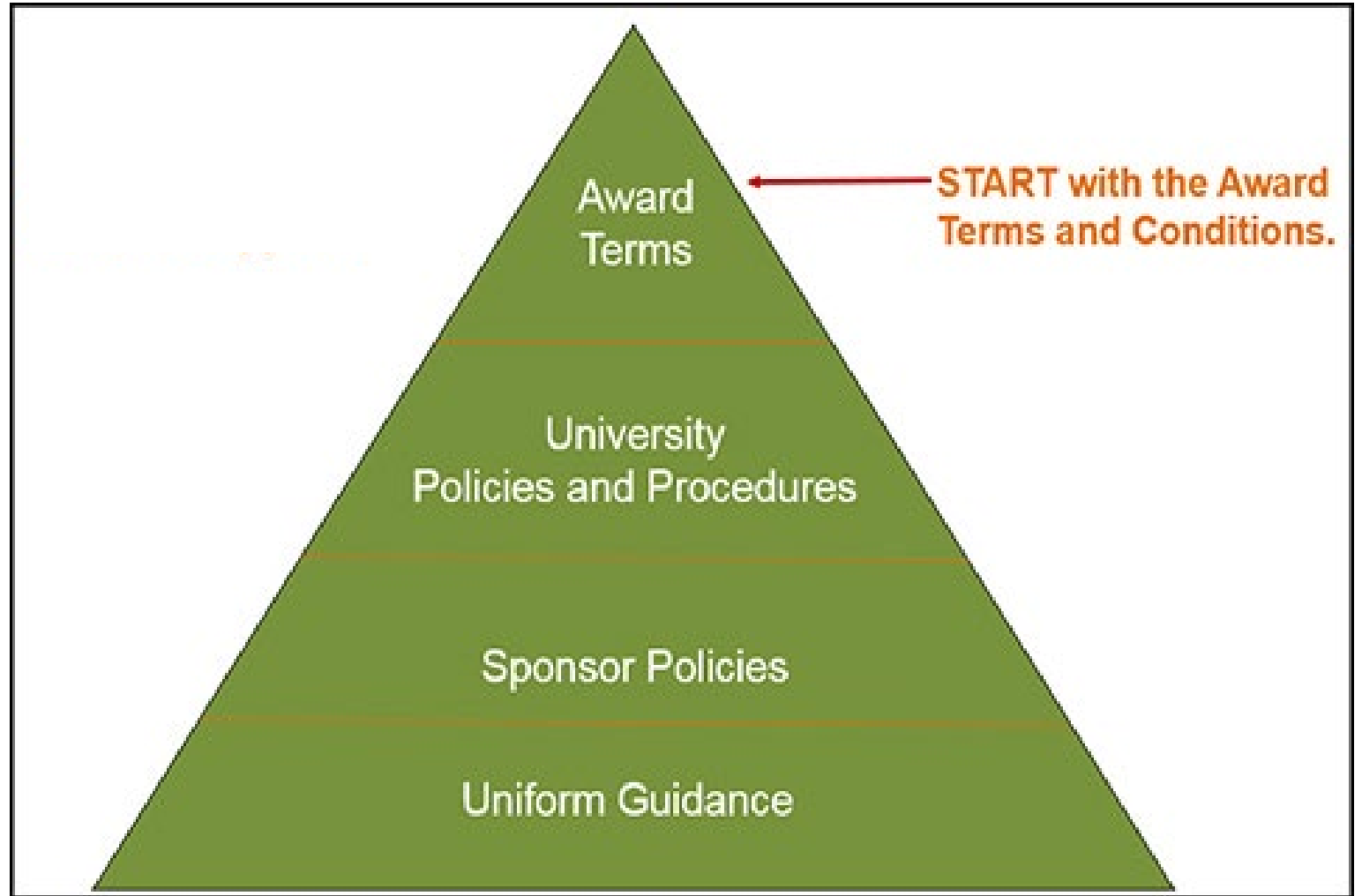
- Expanded Authorities came out of the success of FDP
- Written into UG - **§200.308(d)(4)**
  - Default Research T&C
- Applies to all Federal Research Assistance Awards
  - **UNLESS OTHERWISE STATED IN THE AWARD DOCUMENT**
- Three Areas
  - 90 Day Pre Award Spending
  - 1<sup>st</sup> NCE Request up to 12 months
  - Carryforward

- FDP Prior Approval Matrix
- Not all Federal Agencies- Only:
  - NSF
  - NIH
  - DOE
  - USDA-NIFA
  - DOC
  - NASA
- Refer to know standard position of prior approval waived or required for certain federal agencies
  - **UNLESS OTHERWISE STATED IN THE AWARD DOCUMENT**



When in  
doubt...

**CHECK YOUR  
AWARD**

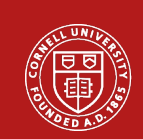




# Generally- What Needs Prior Approval?

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- Excellent Question- lets look at Uniform Guidance



# §200.308

## Revision of budget and program plans

- (c)(1) For non-construction Federal awards, **recipients must request prior approvals from Federal awarding agencies for one or more of the following program or budget-related reasons:**
  - (i) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).
  - (ii) Change in a key person specified in the application or the Federal award.
  - (iii) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.
  - (iv) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with Subpart E—Cost Principles of this part or 45 CFR part 75 Appendix IX, “Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals,” or 48 CFR part 31, “Contract Cost Principles and Procedures,” as applicable.
  - (v) The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.
  - (vi) Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in §200.332 Fixed amount subawards. This provision does not apply to the acquisition of supplies, material, equipment or general support services.
  - (vii) Changes in the approved cost-sharing or matching provided by the non-Federal entity.
  - (viii) The need arises for additional Federal funds to complete the project.
- (2) No other prior approval requirements for specific items may be imposed unless an exception has been approved by OMB. See also §§200.102 Exceptions and 200.407 Prior written approval (prior approval).





# Processes for Common Prior Approval Requests

Budget Revision

Carryforward of Budget into Subsequent Years

Change in Principal Investigator (PI) or Key Person

Changes in Cost Share

No Cost Extensions

Participant Support Costs

Pre-Award Costs

Principal Investigator (PI) takes a long break (disengagement)

Scope of Work Change

Subawards

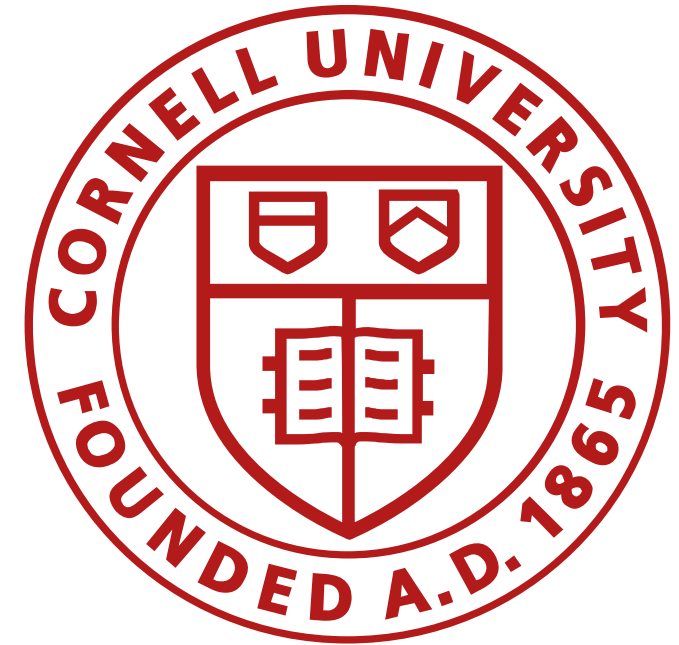


# CORNELL PROCESS!

Enter amendment/prior approval requests in RASS

<https://guide.rass.cornell.edu/sponsored-projects/submit-change-requests/>

Submit all change requests directly in RASS!!!



Cornell University  
Novelution Research Management System

Profile & Settings | Site Admin | Grants & Contracts

Panel shortcuts  
collapse all | expand all

- ✓ Award Details
- ✓ Key Personnel
- ✓ Compliances
- Budget & Dates
- ✓ Terms

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collapse all | expand all | Save record as PDF

**Request Award Amendment**

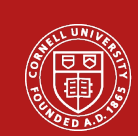
✓ Terms & Conditions  
 ✓ Deliverables  
 ✓ Subawards  
**Award Amendment Requests**  
 Workflow & History  
 Review Notes

Award Amendment Requests  
collapse rows | expand rows

Type	Title	Requesting user	Request Date	Status	Status Date	Effective Date	Due Date	Action
Budget Revision	Demo CI- User WBB		01/16/2020 11:05 AM	Submitted to OSP	01/16/2020 11:05 AM			[search icon]

Make sure to add enough information and attachments to your request for the GCO to understand and act

Questions? Reach out early and often and loop in your GCO!



# Budget Revision §200.308(e)

The Federal awarding agency may, at its option, **restrict the transfer of funds among direct cost categories** or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold (\$250,000 currently) and the **cumulative amount of such transfers exceeds or is expected to exceed 10 percent (10%) of the total budget** as last approved by the Federal awarding agency. The Federal awarding agency cannot permit a transfer that would cause any Federal appropriation to be used for purposes other than those consistent with the appropriation.



# Budget Revision

## **Awards with Expanded Authorities or FDP**

- Approval to rebudget among direct cost categories in which the total cumulative exceeds 10% of total approved budget
- Prior Approval NOT Needed

## **Award NOT under Expanded Authorities or FDP**

- Must Request Prior Approval when transfers exceed 10% of total approved budget
- Includes:
  - Revised budget
  - Justification



# NIH Significant Rebudgeting

NIH Grants and Policy Statement 8.1.2.5

- Significant rebudgeting occurs when expenditures in a single direct cost budget category deviate (increase or decrease) from the categorical commitment level established for the budget period by **25 percent or more of the total costs awarded**.
- For example, if the award budget for total costs is \$200,000, any rebudgeting that would result in an increase or decrease of more than \$50,000 in a budget category is considered significant rebudgeting.
- The base used for determining significant rebudgeting excludes the effects of prior-year carryover balances but includes competing and non-competing supplements.
- **Significant rebudgeting does not apply to modular grants.**

This is considered a potential change in Scope by NIH

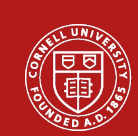
- NEEDS MORE REVIEW



# Carry Forward §200.308(d)(3)

Federal awarding agency is authorized... to waive prior written approval... Such waivers may include...

- (3) Carry forward unobligated balances to subsequent periods of performance.



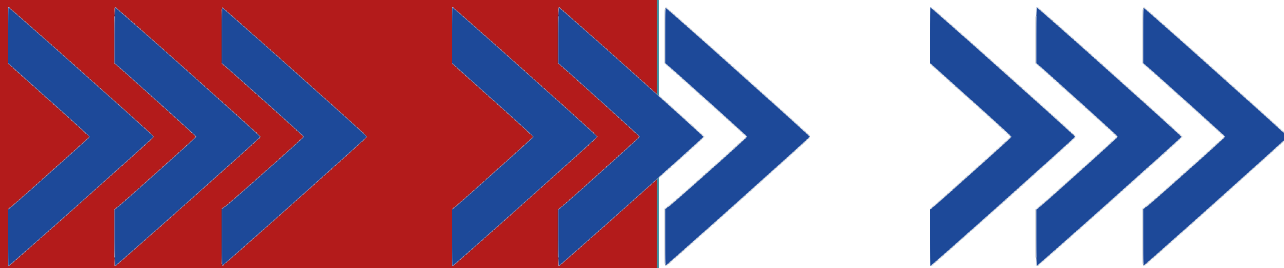
# Carry Forward of Unobligated Funds

## Award Under FDP or 200.308(d)(4)

- Automatic approval to use funds in subsequent funding periods
- No notice needed to federal partner

## Not Under FDP or 200.308(d)(4)

- Must request written prior approval
- Usually after SF425 (FFR) submitted
- Includes:
  - Amount of Funds to be Carried Over
  - Explanation of Unobligated Balance
  - Detailed Budget
  - Scientific Justification





# Change [Replacement] in Principal Investigator (PI) or Key Person

**§200.308(c)(1)(ii) – [Prior approval is required if there is a] Change in a key person specified in the application or the Federal award**

PI, CO-I, Key Persons named in the application or on the Federal Award- we **must request prior approval** to change or remove these persons

**No agencies under FDP Prior Approval Matrix have this action waived**

This is why it is important that only those people who are *NEEDED* and *NECESSARY* to be named as PI, CO-I, or Key Person to be on proposals

Include on Request:

- CV or Resume of New Person
- Justification on how they can fulfill role







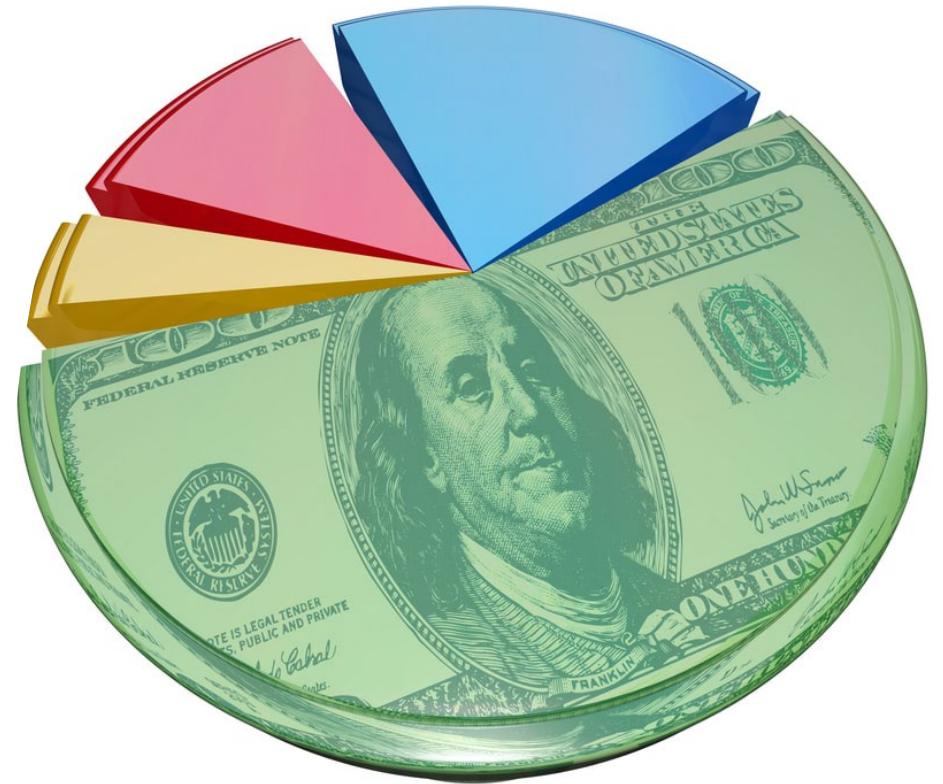
**§200.308(c)(1)(vii) – [Prior approval is required if there are] Changes in the approved cost-sharing or matching provided by the non-Federal entity**

Generally, you need prior approval to change the SOURCE, AMOUNT, BUDGET when it comes to cost share.

Make sure when you are identifying your cost share sources that they are allowable and within the period of performance of the project!

# Changes in Cost Share

- FDP Prior Approval Matrix
- Only NASA and USDA-NIFA have waived prior approval to changes in the approved cost sharing or matching
  - USDA- NIFA: Except when the change is a reduction in the amount of approved cost-sharing/match in which case prior approval is required.
- NSF, DOE, NIH, and DOC all required PRIOR APPROVAL





# No Cost Extensions §200.308(d)(2)

Federal awarding agency is authorized... to waive prior written approval... Such waivers may include...

- (2) Initiate a one-time extension of the period of performance by **up to 12 months** unless one or more of the conditions outlined in paragraphs (d)(2)(i) through (iii) of this section apply.

For one-time extensions, the recipient must notify the Federal awarding agency in writing with the supporting reasons and revised period of performance at least **10 calendar days before the end of the period of performance** specified in the Federal award. **This one-time extension may not be exercised merely for the purpose of using unobligated balances.**

Extensions **require explicit prior** Federal awarding agency **approval** when:

- (i) The terms and conditions of the Federal award prohibit the extension.
- (ii) The extension requires additional Federal funds.
- (iii) The extension involves any change in the approved objectives or scope of the project.



# No Cost Extensions

## Award Under FDP or 200.308(d)(4)

- First Time No Cost Extension Request
  - Have automatic approval
  - Still must submit a notice informing the federal partner that we are exercising this option
  - Extend up to 12 months
  - Timing of Request
    - Must submit prior to 10 days before the current end date
- Second No Cost Extension Request
  - **MUST HAVE PRIOR APPROVAL FOR ALL SPONSORS**

## Award NOT under FDP or 200.308(d)(4)

- Must submit Prior Approval Request to Federal ADMIN Contact for any NCE request
- Includes:
  - Length of Time Requested
  - Justification for Additional Time
  - *Sometimes*, how budget will be used during NCE period

Always try to ask for 12 months!  
Helps prevent a second NCE-  
No penalties for ending early!

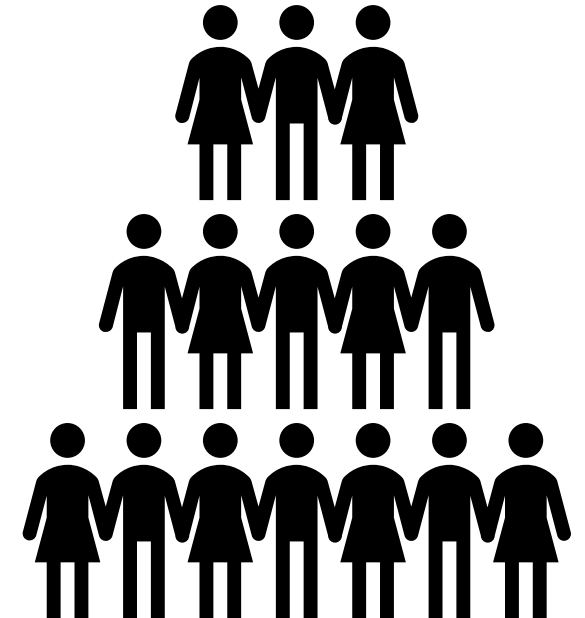


# Participant Support Costs - Transfer

**§200.308(c)(1)(v) – [Prior approval is required if there is] The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense**

## **§200.75 Participant support costs.**

*Participant support costs* means direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects.





# Participant Support Costs - Transfer

## FDP Prior Approval Matrix

- NSF, DOE, USDA-NIFA, and DOC require **PRIOR APPROVAL** to transfer funds budgeted for participant support to other cost categories
  - NSF requires the prior written approval of the cognizant NSF Program Officer
    - And you better have a GREAT reason
- NIH and NASA do not require prior approval
  - NIH and NASA waived unless change in scope



# Pre-Award Costs

## §200.308(d)(1)

Federal awarding agency is authorized... to waive prior written approval... Such waivers may include...

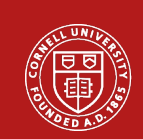
- (1) Incur project costs more than 90 calendar days...Expenses more than 90 calendar days pre-award require prior approval of the Federal awarding agency.

**All costs incurred before the Federal awarding agency makes the Federal award are 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 a Federal award or if the Federal award is less than anticipated and inadequate to cover such costs).

## §200.458

Pre-award costs are those incurred prior to the effective date of the Federal award directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work.

Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.



# Pre-Award Costs

## Under FDP or 200.308(d)(1)

- Automatic approval to spend 90 days prior to the start date of the agreement
- Need Prior Approval for any cost **more than** 90 calendar days

## Not under FDP or 200.308(d)(1)

- Need written prior approval from sponsor to allow costs prior to the start date
- Generally requires justification on why items must be purchased prior to start date





Principal  
Investigator (PI)  
takes a long break

(Disengagement)  
(Reduction in Effort)

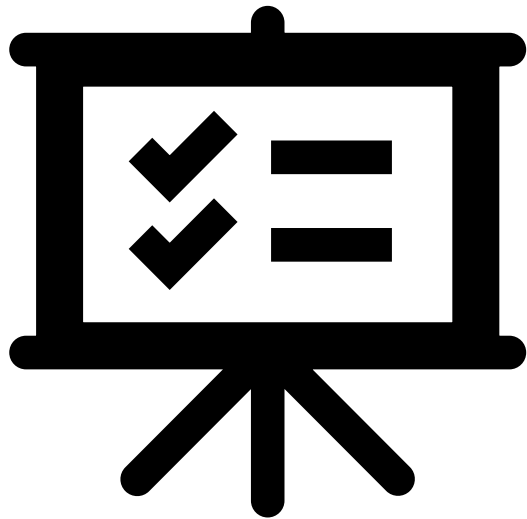
**§200.308(c)(1)(iii) – [Prior approval is required if there is]** disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

FDP Prior Approval Matrix-

No agencies waived prior approval

- **NSF and NASA** also requires above for and CO-PI or CO-PD on projects
- **NIH** also requires above for any other individuals specifically named in the **Notice of Award**

# Scope of Work Change



- **§200.308(c)(1)(i) – [Prior approval is required if there is a] Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).**
- Check with your PI if they have a change in the scope or objective of the work they are performing
- All FDP agencies require prior approval for a change in scope
- NIH has defined what constitutes a change in scope...
- Check the award and agency terms and conditions if there are questions about what is considered a change in scope!



# NIH Change in Scope Definition

## NIH Grants and Policy Statement 8.1.2.5

In general, the PD/PI may make changes in the methodology, approach, or other aspects of the project objectives. **However, the recipient must obtain prior approval from the NIH awarding IC for a change in scope.** A change in scope is a change in the direction, aims, objectives, purposes, or type of research training, identified in the approved project. The recipient must make the initial determination of the significance of a change and should consult with the GMO as necessary.

**Potential** indicators of a change in scope include, but are not limited to, the following:

- Change in the specific aims approved at the time of award.
- Substitution of one animal model for another.
- Change from the approved use of live vertebrate animals.
- Change from the approved involvement of human subjects that would result in an increased risk.
- Shift of the research emphasis from one disease area to another.
- A clinical hold by FDA under a study involving an IND or an IDE.
- Application of a new technology, e.g., changing assays from those approved to a different type of assay.
- Transfer of the performance of substantive programmatic work to a third party through a consortium agreement, by contract, or any other means. *If the third party is a foreign component, NIH prior approval is always required.*
- Change in other senior/key personnel not specifically named in the NoA
- Significant rebudgeting
- Incurrence of research patient care costs if costs in that category were not previously approved by NIH or if a recipient desires to rebudget additional funds beyond those approved into or rebudget funds out of the research patient care category.
- Purchase of a unit of equipment exceeding \$25,000.



# NSF Change in Objectives, Scope, or Methods/Procedures

## PAPPG 20-1 Chapter VII B.1

### a. Changes in Objectives or Scope

**The objectives or scope of the project may not be changed without prior NSF approval.** Such change requests must be signed and submitted by the AOR via use of NSF's electronic systems. If approved by NSF, the Grants Officer will amend the grant. Prior written NSF approval also is required for changes to the Facilities, Equipment and Other Resources section of the approved proposal that would constitute changes in objectives or scope (see Chapter II.C.2.i for further information).

### b. Significant Changes in Methods or Procedures

NSF believes that the PI/PD and co-PI/co-PD, operating within the established policies of the grantee organization, should feel free to pursue interesting and important leads that may arise during the conduct of a research (or other grant-supported) project or to adopt an alternative approach which appears to be a more promising means of achieving the objectives of the project. Significant changes in methods or procedures should be reported to appropriate grantee official(s). The PI/PD also must notify NSF via use of NSF's electronic systems.

### c. Significant Changes, Delays or Events of Unusual Interest

In the event there are problems, delays or adverse conditions that will materially impact the ability to attain the objectives of the project or to meet such time schedules as may have been proposed, the PI/PD should notify the appropriate grantee official(s). The PI/PD also must notify NSF via use of NSF's electronic systems. NSF should be informed of any events of unusual interest that occur during the course of the project. Reports communications or photographs should be submitted via the interim report capability in Research.gov.



# Adding Subawards

§200.308(c)(1)(vi) – [Prior approval is required] Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in §200.332 Fixed amount subawards. This provision does not apply to the acquisition of supplies, material, equipment or general support services.

- Make sure to name all subawards in proposal!
- High Risk Sub?
  - Propose the subaward as Fixed Price!



# Adding Subawards

## FDP Prior Approval Matrix

**NIH, USDA-NIFA, and NASA** have all **waived prior approval** for subawarding, transferring or contracting out any work

- **NIH** waived unless it is a foreign sub or change in SOW
- **USDA-NIFA** waived except when:
  - 1) subaward(s) would be more than 50% of the total dollars of the award

or

- 2) subaward is to a federal agency.

In these situations, prior approval is required.

**NSF, DOE, and DOC** require prior approval



## TALK TO OSP FIRST!!!



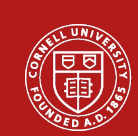
## Fixed Price Subawards



- All FDP agencies require prior approval to issue a subaward as **FIXED PRICE**
  - Will need deliverables/milestones scope of work, schedule, and budget

§200.332 Fixed amount subawards.

- With prior written approval from the Federal awarding agency, a pass-through entity may provide subawards based on fixed amounts up to the Simplified Acquisition Threshold, provided that the subawards meet the requirements for fixed amount awards in §200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.



# CORNELL PROCESS!

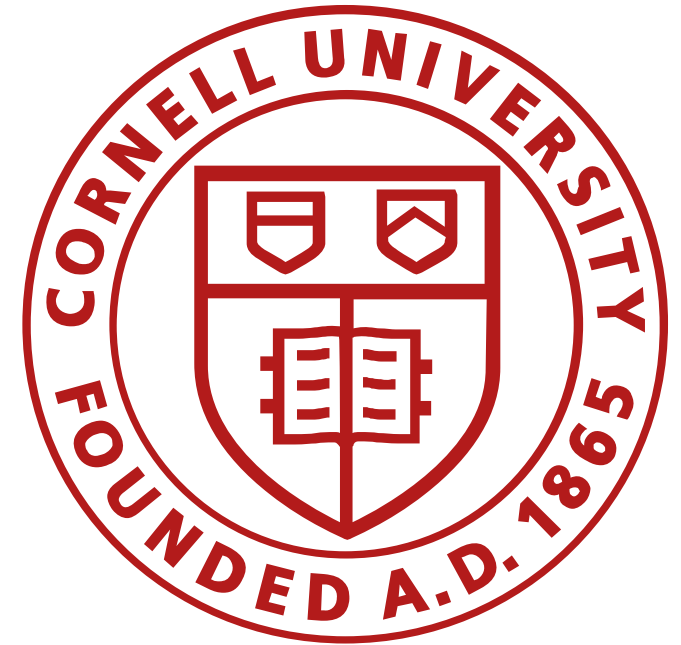
## Adding Subawards After Award Received

Generally, need to **send to sponsor**

- Subaward Scope of Work
- Subaward Budget and Budget Justification
- Justification on WHY subaward is needed
- Updated Cornell Budget

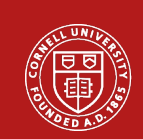
### **OSP Needs**

- Sub Commitment Form
- Subaward Budget, Budget Justification, Scope of Work



You must create a new subaward in RASS!  
<https://guide.rass.cornell.edu/sponsored-projects/initiate-a-subaward/>

**cu\_subawds@cornell.edu**



## §200.407

### Prior written approval (prior approval)



Under any given Federal award, the reasonableness and allocability of certain items of costs may be difficult to determine. In order to avoid subsequent disallowance or dispute based on unreasonableness or nonallocability, the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs.

Prior written approval should include the timeframe or scope of the agreement. The absence of prior written approval on any element of cost will not, in itself, affect the reasonableness or allocability of that element, unless prior approval is specifically required for allowability as described under certain circumstances in the following sections of this part:





# Pop Quiz!

Dr. Blue has a NIH R01 grant that was proposed and awarded as a modular budget. Dr. Blue wants to purchase a piece of equipment for \$15,000 in Year 2 of their 5-year grant. This was not proposed originally.

- Do you need Prior Approval from NIH for this equipment purchase?

**NO PRIOR APPROVAL NEEDED!**

- Why?

**Equipment purchases over \$25,000  
need approvals as NIH defines this as  
a Change in Scope**



# Pop Quiz!

- Dr. Orange has an NIH grant and is in Year 3 of the project. Budget is about \$350,000 per year and is not a modular budget. Dr. Orange is needing to transfer \$100,000 from Materials and Supplies to Other Direct Costs to cover an unforeseen expense. The NIH Program Contact has already said its fine.
- Is prior approval needed?
  - YES!
- Why?
  - Falls into NIH significant rebudgeting: single direct cost budget category deviate (increase or decrease) from the categorical commitment level established for the budget period by 25 percent or more of the total costs awarded
- Is the prior approval by the NIH Program Contact sufficient?
  - NO! Must come from the Grants Management Specialist!



# Pop Quiz!

- Dr. Maple has a \$200,000 Grant from USDA Forest Service in which Expanded Authorities apply but FDP prior approval matrix does not. Dr. Maple wants to move \$35,000 of their Other Direct Costs budget to Personnel in order to add a couple of Graduate Research Assistants for the summer to help complete the work and gain valuable experience.
- Is Prior Approval Needed from USDA Forest Service?
  - **YES!**
- **WHY?**
  - This is over 10% of the awarded budget



# Pop Quiz!

- Dr. Green has named their GRA, Julio, as a CO-I on a 5-year NSF grant proposal and refused to submit the proposal without Julio being named as CO-I. Happily, Dr. Green's proposal was accepted (Yay!) and names Dr. Green, Dr. Hemlock, and Julio as Key Persons in the award. Julio is leaving Cornell next year, Year 2 of the grant, for a European Hiking Adventure through the Alps and will not return to Cornell. Julio will be replaced by an assistant professor at Cornell, Dr. Aster, for the remainder of the project.
- Is Prior Approval Needed?
  - YES!
- Why?
  - Julio was named as a key person-  
required to get prior approval for change of key person



# Pop Quiz!

- Dr. Purple has a 3-Year NASA grant. They are wanting to use the unspent funds from Year 1, about \$55,000 of the \$750,000 Year 1 budget, in Year 2. This award has no exceptions to FDP or Expanded Authorities.
- Is Prior Approval Needed?
  - NO!
- Why?
  - Prior approval not needed to carryforward unobligated balances from year to year when there is no exception in the award to 200.308(d)(4).



# Pop Quiz!

- Dr. Yellow is PI on an NSF grant with Cornell CO-I, Dr. Mallow, and UC-Boulder CO-I, Dr. Marmot. Cornell has given a subaward to UC-Boulder. Cornell CO-I Dr. Mallow will be disengaging from the project for 6 months in order to focus on a short-term project that needs all their focus. Dr. Mallow will be returning to the project after that 6 months.
- Is prior approval need for Dr. Mallow's disengagement?
  - YES!
- WHY?
  - NSF requires that prior approval for PIs, PDs, CO-PIs, and CO-PDs, for disengagement from the project for more than three months



# Questions, Comments, Concerns?

