

## Pre-Award Spending Policy

This procedure has been established by Lurie Children's Office of Sponsored Programs (OSP) to set up a new fund number for new projects so that expenses may be posted to the fund prior to receipt of formal notification of an award.

Sponsoring program agencies often allow a grantee to incur pre-award costs at the grantee's own risk and without prior approval up to 90 days prior to the effective start date of a new or competing continuation award for costs that are necessary, allowable, and allocable under a potential award.

This internal Lurie Children's mechanism to permit pre-award costs to be incurred in anticipation of a new, competing continuation or non-competing continuation award poses no obligation on the part of the funding agency or industrial sponsor to make an award to increase funding. Therefore Lurie Children's Principal Investigators and their Division Head/Program Leaders must be able to directly support pre-award costs that fall outside the award's allowable pre-award period, costs that are found to be unallowable, and/or costs that are incurred for an anticipated award, whether new or continuing, that does not materialize.

Pre-award fund number assignment will require the requesting Principal Investigator/Department to have completed the normal proposal routing process (Cayuse SP routing, proposal, budget, etc.) prior to consideration of a pre-award project number assignment. Additionally, all compliance committee approvals (IACUC, IBC, IRB) must be in place prior to the fund being set up or be noted accordingly if other costs outside of those requiring compliance approval are necessary.

Pre-Award Spending accounts will be set up for the anticipated award period and be reviewed on a quarterly basis by the Office of Research Business Management and the Office of Sponsored Programs Accounting (OSPA). OSP staff will continue to work with the sponsor to obtain and accept award documents during the pre-award spending period.

The request requires approval of the Division Administrator prior to submission to the Office of Sponsored Programs. For a pre-award fund number to be activated, a Principal Investigator may not have outstanding reports due to either the subject sponsoring agency or other sponsoring agencies.

**Requesting a Pre-Award Spending Account through Cayuse SP**

The following steps outline the process to request a Pre-Award Spending Account, per the Lurie Children's Pre-Award Spending Policy.

**Process overview:**

- The PI division's designated Research Business Manager (RBM) or research staff submits a Pre-Award Spending Account Request through Cayuse SP, using the Proposal Dashboard.
- The request is routed to and authorized by the Division/Program, and Office of Sponsored Programs.
- OSP staff facilitate the steps to set up the fund with OSP Accounting.
- OSP Accounting staff inform the investigator and research staff when the fund has been established.
- The RBM advises the PI and Division on incurring costs prior to full award issuance.

**Steps to submit a Pre-Award Spending Account Request:**

1. Log in to Cayuse SP and select **My Proposals** on the Proposal Dashboard.
2. Select the **Submitted Proposals** tab, then select the proposal number.
3. Select the **Pre-Award Spending** tab on the center of the page, then select **Add Pre-Award Spending Request to Proposal**.
4. In the Pre-Award Spending Request form, **complete the following fields:**
  - **Description of Assurances of Funding:** Enter description of documentation/information you have received from the sponsor that describes a guarantee of funding. This may include an email copied and pasted into the text box shown here. **Please list the internal "guarantee" account that will be used if funding is not received. Please provide a 98 or 95 or cost center account.**
  - **ARRA funding:** NA.
  - **Type of Account:** Select **New Account** from the drop down menu
  - **Project Contact:** Enter the name of the responsible research staff to contact for questions regarding this request, along with phone and e-mail.

5. Select **Submit Pre-Award Spending Request for Processing**.

An email approval request notification will be sent to the Pre-Award Spending Approvers for the administering Division/Program. The Pre-Award Spending Approver from the division must electronically authorize the Pre-Award Spending Request in Cayuse SP, before OSP authorizes the request. Specific steps to approve Pre-Award Spending Account Requests are included in the email that the authorized administrator receives through Cayuse SP.