Period of Availability of Federal Funds Policy

Period of Availability of Federal Funds Policy & Operational Procedure

Policy Sections
- Policy Statement
- Reason for Policy
- Who Should Know This Policy
- Contacts
- Applicable ACP Policies
- Federal Funds Availability at ACP
- Roles & Responsibilities
- Appendix: Applicable Federal Regulations & Criteria

Policy Statement

ACP is committed to ensuring that all Federal funds be managed according to award agreements, which includes spending only within the period of availability of Federal funds.

Reason for Policy

To ensure that Federal funds are not spent outside of grant time frames, are not downloaded inappropriately, are in compliance, and are consistent with Office of Management & Budget (OMB) Circular A-122, sponsor policies, and award terms and conditions.

Who Should Know This Policy

- Principal Investigators
- Administrative Staff
- Winter Conference/Summer Program Organizers
- Proposal Committee
- Officers
- Trustees
- General Members
Applicable ACP Policies

- Cash Management Procedure

Federal Funds Availability at ACP

Introduction and Definition:

Federal awards may specify a time period during which the non-Federal entity may use the Federal funds. When a time period is specified, the agreement will show the start and end date for the time period.

Where a funding period is specified, a non-Federal entity may charge to the award only costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the Federal-awarding agency. Also, if authorized by the Federal program, unobligated balances may be carried over and charged for obligations of the subsequent funding period.

To carry over balances to a subsequent funding period, the recipient must identify the amount, submit a request to the Federal-awarding agency, and receive approval. Once approved, the carried-over balances will be added to the award of the subsequent funding period or used in the form of a no-cost extension if there is no subsequent award.

Obligations mean the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the non-Federal entity during the same or a future period.

Pre-Award Spending:

ACP allows pre-award spending and understands the risks and responsibilities of committing funds to a project before an award has been approved. The PI and Administrative Vice President will decide if this is appropriate action for each award. The Finance Manager will book these expenses in a separate fund in case the award does not materialize. Instead of transferring these expenses to
an approved fund once the grant is awarded, this fund will then be included with the other grant funds to tally total income and expense for each award.

Should an award not be funded, the pre-award expenses incurred will be charged on a timely basis to the ACP General Fund and not to another sponsored award.

**Monitoring the Period of Availability of Federal Funds:**

For multi-year grants, new funds will be created in the Center’s accounting system so that previous funds can be zeroed and remain zero in case there are post-award adjustments. For single-year awards, the fund can be reused as the grant will zero each year.

For multi-year grants, funds are totaled for the life of the grant, either each quarter or each year or more often to determine the availability of funds and to ensure that all funds are spent during the period of availability. ACP strives to use all Federal funds when expenses are allowable, allocable, reasonable and consistent. Excess spending over Federal award availability for a given period will be booked in separate funds. If, in regular review, the PI, Treasurer, Administrative Vice President or Finance Manager discovers any departure from policy in recording outside of the period of availability of Federal funds, an immediate cost transfer will be made. See the ACP Cost Transfers Policy.

**Budgeting Federal Funds Within the Period of Availability:**

ACP budgets are prepared in alignment with the period of availability of Federal awards. The Finance Manager maintains grant award data and incorporates the period of availability for each Federal award into the budget and the accounting process. Once the grant award has ended, the Finance Manager will no longer code any expenses to the related funds. The Finance Manager, in the quarterly review which includes an analysis of budget to actual, will be sure that the PI is cognizant of any impending award end date. In the quarterly review, the PI will be cognizant of any expenditures made against the award after the award end date. The Finance Manager will inform the Administrative Vice President and the PI, and any program organizers (if applicable), of any over- or under-spending of grant monies before the award end date, and as soon as the imbalance is known.

---

**Roles & Responsibilities**

**Principal Investigator (PI):** Responsible for reviewing sponsored project accounts on a regular basis and being cognizant of the period of availability of Federal funds in regards to fund balances. Responsible for necessary cost transfers or directing spending to comply with the Federal award.
Administrative Staff: Responsible for reconciling sponsored project accounts on a regular basis and identifying shortages or overruns and notifying the PI. Responsible for ensuring that all sponsored awards are spent within the period of availability of funds.

Summer and Winter Organizers: Responsible for monitoring the period of availability of any Federally sponsored awards for which they are responsible.

Appendix: Applicable Federal Regulations & Criteria

From OMB Circular A-110

_28 Period of availability of funds. Where a funding period is specified, a recipient may charge to the grant only allowable costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the Federal awarding agency.

From NSF PAPPG 2014, Section V.2.b.
(ii) Grantees may incur allowable pre-award costs within the 90 day period immediately preceding the effective date of the grant providing:
   (a) the approval of pre-award spending is made and documented in accordance with the grantee’s procedures; and
   (b) the advanced funding is necessary for the effective and economical conduct of the project.

(iii) Pre-award expenditures are made at the grantee’s risk. Grantee authority to approve pre-award costs does not impose an obligation on NSF:
   (1) in the absence of appropriations;
   (2) if an award is not subsequently made; or
   (3) if an award is made for a lesser amount than the grantee anticipated.

(iii) Requests for pre-award costs for periods exceeding 90 days must be submitted electronically via use of the Notification and Request module in FastLane. Pre-award expenditures prior to funding of an increment within a continuing grant are not subject to this limitation or approval requirement, but are subject to paragraph (ii) above.