New York University
UNIVERSITY POLICIES

Title: Prior Approvals Policy for Sponsored Programs
Effective Date: TBD
Supersedes: N/A
Issuing Authority: Sponsored Programs Administration
Responsible Officer: Assistant Vice President for Post-Award Administration

Policy

It is the policy of New York University (“University”) that all costs proposed or incurred on a sponsored project comply with all terms and conditions and University policies and procedures, including those associated with obtaining prior approval for changes in a sponsored project, and the exercise of authority over such changes when necessary.

Purpose of this Policy

The purpose of this policy is to assist Principal Investigators, schools, departments, units and personnel of the University to effectively manage the finances of sponsored program awards by providing guidelines and procedures for attaining prior approvals when applicable.

Scope of this Policy

This Policy is applicable to all schools, departments, units, and personnel of the University involved in administering sponsored awards.

Procedures for Implementation

a. University Internal Prior Approval System (PAS) and Expanded Authorities for the Management of Federal Grants

A Principal Investigator (PI) may report deviations from budget and program plans and request prior approvals from the Office of Sponsored Programs (OSP) for the following:

- **Pre-Award Costs**
  To create a sponsored project for the purpose of incurring pre-award costs up to a maximum of 90 calendar days prior to award start date. However, expenditures prior to the award start date are solely at the financial risk of the department.

- **No-Cost Extension**
  To initiate a one-time extension of the award expiration date of up to 12 months. The funding sponsor must be notified of the extension at least ten days prior to
the original termination date. This extension may not be exercised solely for the purpose of using any unobligated balance.

- **Adding Scientific or Special Purpose Equipment**
  To re-budget funds for the purchase of scientific or special-purpose equipment not identified in the original sponsor approved budget, general-purpose equipment is not allowable unless used solely or primarily for the objectives of the sponsored project and if the cost supports the activity that is directly related to the special purpose or circumstance of the sponsored agreement.

**Approval Required from the Sponsoring Agency**
The Principal Investigator of a Federally-sponsored project is required to report major deviations as outlined below from budget and program plans. The PI should work with the Office of Sponsored Programs (OSP), following PAS procedures, to request prior approvals directly from Federal awarding agencies for any of the following program or budget-related reasons:

- Change in the scope or the objectives of the project or program.
- Change in the Principal Investigator and/or key personnel (the definition of key personnel may vary by sponsoring agency) or in project effort (absence for more than three months or a 25% reduction in time devoted to the project).
- Transfer of funds allotted for trainee expenses (direct payment to trainees: stipend, tuition, fees) to other categories of expense.
- Subawards, transfers or subcontracting a substantive portion of work, unless described in the application and funded in the approved award.
- Budgeting of pre-award costs to be incurred more than 90 days prior to award.
- Other expenses, if not waived by a particular agency in the notice of award (i.e., foreign travel, carryforward of funds from one budget period to the next, re-budgeting of trainee allowances or participant costs, alterations and renovations in excess of $25,000, adjustment of cost sharing commitment).

**b. Making a Request under the Prior Approval System (PAS)**

- Internal prior approvals will be made on a University PAS form. See instructions and form at: [http://www.nyu.edu/content/dam/nyu/research/documents/OSP/pas99.pdf](http://www.nyu.edu/content/dam/nyu/research/documents/OSP/pas99.pdf).
- Approval for any changes must be received prior to implementing those changes. Generally, requests for approval of changes that have already occurred will be reviewed but cannot be approved by OSP.
- A no-cost extension must be approved in advance of the original date of project termination to allow adequate time for sponsor notification.
An OSP Projects Officer should be consulted in advance prior to submitting the PAS.

The signatures of the Principal Investigator, Department Chair/Designee, Dean/Designee and OSP are required to complete the PAS approval.

Principal Investigators should complete and sign the attached forms before securing the signatures of the Department Chair and Dean or Dean’s designee. The request is then submitted to the Director of Office of Sponsored Programs for final approval.

Each request must include a well-detailed justification explaining the reason for a deviation from the original, approved budget and/or work plan.

Each request will be reviewed for appropriateness in relation to the objectives of the project and for compliance with the regulations, policies and procedures of both the University and the sponsor.

Once a PAS request has been approved, Sponsored Programs Administration will be notified and the appropriate changes will be reflected in Budget Summary Report (BSR), which is available to the PI and/or their designee.

Principal Investigators should refer to specific terms and conditions from the awarding sponsor for details on budget restrictions and/or post-award changes.

c. Making a Request to the Awarding Sponsor Agency

Those changes requiring approval from the awarding sponsor should be described in a letter from the Principal Investigator to the appropriate sponsor official. The Director of Sponsored Programs in OSP will review each request. The letter must be approved/signed by both the PI and the OSP Director. Once the letter has been approved, the Office of Sponsored Programs will then forward the request to the sponsor. In lieu of a signed letter, many agencies will now accept an email from OSP.

Policy Definitions

N/A

Related Policies

- Charging Administrative Expenses to Federal Awards Policy

- Cost Sharing Policy
  - [http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/cost-sharing-policy.html](http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/cost-sharing-policy.html)
• **Costing Policy**
  - [http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/costing-policy.html](http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/costing-policy.html)

• **Effort Reporting Policy for Sponsored Programs**
  - [http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/effort-reporting-policy-for-sponsored-programs.html](http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/effort-reporting-policy-for-sponsored-programs.html)

• **Institutional Prior Approval System (PAS) for Management of Federal Grants**
  - [http://www.nyu.edu/content/dam/nyu/research/documents/OSP/pas99.pdf](http://www.nyu.edu/content/dam/nyu/research/documents/OSP/pas99.pdf)

**Federal Regulations**

• OMB Circular A-21

• OMB Circular A-110
  - [http://www.whitehouse.gov/omb/circulars/a110/a110.html](http://www.whitehouse.gov/omb/circulars/a110/a110.html)