



POLICY

Pre-award Costs

Topic: Sponsored Awards Admin	Department: Grants	Policy No: 5.30.03	Effective Date: 12/26/14	Page No: 1 of 1
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Purpose: To provide guidance for requirements on costs incurred by the applicant (Principal Investigator [PI]) prior to the start date of the period of performance of the federal award in accordance with OMB Circular A-122, A-110 (prior to 12/26/14), and 2 C.F.R. 200 Uniform Administrative Requirements for Federal Awards (effective 12/26/14), as well as terms of the individual contract or grant.

Policy:

1. 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. It is the policy of Boyce Thompson Institute for Plant Research (BTI) that written approval for pre-award costs shall be obtained from the awarding agency by the PI, the Grants Manager, or the Vice President for Finance and Operations.
2. Certain granting agencies may allow grantees to incur pre-award costs with a 90-day period immediately preceding the start date of the grant. However, pre-award expenditures are made at the grantee's risk. Grantee authority to approve pre-award costs does not impose an obligation on the federal agency: 1) in the absence of appropriations, 2) if an award is not subsequently made, 3) if an award is made for a lesser amount than the grantee anticipated, or 4) if an award is made beyond the 90 day period or agreed upon period which could result in unallowable costs.