

NORTHEASTERN UNIVERSITY

TO: Director of Research Administration and Finance
RN 960

FROM: _____ (Principal Investigator)

DATE: _____

PREAWARD FINANCIAL COMMITMENT (PFC)

A cognizant official for the funding agency has assured me that funding for the project identified below will be made available to the University. Please process this request for account activation prior to receipt of the actual award. In the event the award is not made, or there is a gap in the funding, then unrestricted funds from

(Name of College or Unit)

will be made available in an amount not to exceed \$ _____ to offset expenditures posted in this account and any associated cost share accounts. Funds may be utilized for* _____

* Indicate if there is a restriction.

Principal Investigator:	College & Department:	Phone:
Project Title:		
Sponsor/Agency:	NU Control No.:	NU Budget No. (If any):
Expected Amount of Award: \$	Expected Date of Award Receipt:	Agency Award Start Date:
Begin Date of PFC: End Date of PFC:	Check if project involves use of*** Human Subjects: <input type="checkbox"/> Animal Subjects: <input type="checkbox"/> ***see next page under PFC procedures.	Date on which Institutional Compliance Division approved Human or Animal Subjects protocols: Date:

The undersigned Principal Investigator certifies that no unapproved human or animal subject protocols are involved in this project.

SIGNED _____ (Principal Investigator) _____ (Person guaranteeing the PFC)**

Note to Principal Investigator: Please attach a copy of the project budget and any correspondence from the funding agency pertaining to the status of the award. Also, please attach your budget for the amount being PFC'd.

** The PI, the Department Chair, the Dean or other individual who has access to unrestricted funds. 5/2002

**Northeastern University
Office of Research Administration and Finance**

**PREAWARD FINANCIAL COMMITMENT (PFC)
Policies and Procedures**

1. **Obtaining a project Budget Number prior to the completion of the Award Process. Or, in multiple-year projects, obtaining authority to spend project funds prior to the receipt of the agency's award and associated cost share funds for the second or subsequent years of the project.**

Occasionally a delay occurs between the time a project has been approved/funded by a sponsoring agency and the time the award documents, signed by the authorized sponsor officials, are received by the University. During this interval, the University does not have formal authority to incur costs against the grant or contract; yet the timely start of a project, or the uninterrupted continuation of the project, may be crucial to its success. To bridge the gap, Northeastern University is instituting a procedure called the Preaward Financial Commitment (PFC).

The PFC makes it possible to provide an NU budget number where the charges incurred will be absorbed out of unrestricted accounts under the control of the person making the commitment in the event that there is an unfunded gap or that the outside funds fail to arrive at all. A PFC may cover the entire dollar amount budgeted for the project, or only a portion thereof. The person guaranteeing the PFC shall determine the amount sufficient to get the project started, or sufficient to allow the project to continue without interruption.

2. **PFC Procedures**

The principal investigator normally initiates the PFC process by completing the PFC form and obtaining the approval of the dean*. However, the principal investigator should first obtain reasonable assurance from the funding agency that the project will be funded, as well as an indication of the start date of the project and the amount of the expected award. The principal investigator should also prepare a budget, for presentation to the dean or other person guaranteeing the funds, for the amount being PFC'd.

Human and Animal Subjects in Research. If the project involves the use of human subjects (including the use of surveys or questionnaires) or animal subjects, approval of the protocols through the Institutional Compliance Division [ICD] (xt. 7570; 105 Dockser) must be obtained **prior** to the submission of the PFC to the Division of Sponsored Project Administration. No pre-award financial commitment will be permitted unless the protocols have been approved by ICD.

The **PFC form**, when signed by the person guaranteeing the dollar amount of the PFC is transmitted to the Division of Sponsored Project Administration (DSPA), together with any correspondence from the funding agency pertaining to the status of the award, *and a budget for the amount being PFC'd*. DSPA will then issue a budget number, or authorize the expenditure of funds, allowing the principal investigator to proceed with the project.

In the event that no award is made by the funding agency, any expenditures incurred pursuant to this PFC will be charged to the unrestricted fund account of the individual or unit guaranteeing the PFC.

* In some cases the preaward commitment may be made by the Department Head, Division Director or Principal Investigator, singularly or jointly, if anyone of the parties has access to unrestricted funds.