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*University Guidance*

### **Introduction**

In furthering GCA's mission to achieve better internal controls while streamlining processes that reduce administrative burden, this guideline was developed to aid department and faculty members with continuations or amendments where additional funding is anticipated or an extension of time, but the amendment is delayed or not expected to be received for a period greater than one but typically less than three months in duration.

### **Definition**

An Extension Risk status may be established when a department anticipates additional funding or an extension of time, and the funding or extension is not anticipated to be received for one or more months.

### **History**

It is common for a College Post Award Contact (CPAC) to request an increase to the parent budget and request the Commitment Control to be changed from Control to Track or to extend the date on the project panel. This allows spending to continue (over the awarded budget amount) pending receipt of additional anticipated funding. CPAC personnel may often request budget increases several times before the additional funding/amendment arrives. This practice is less efficient as it requires both the CPAC and the GCA Grants Administrator/Coordinator (GCA GA) to service the project multiple times while awaiting the additional funds/amendment. To aid in the streamlining of this process, the Extension Risk guidelines are being introduced to enable greater flexibility to the department and PI while ensuring the financial risk is properly evaluated and approved by the department and dean's offices.

### **Guidelines for Extension Risk:**

- Extension Risk is used for active/approved projects for which additional funding or an extension of time/amendment is anticipated.
- CPAC/PI anticipate additional funding/amendment, and the current available balance is low or fully expended or anticipate a no cost extension. CPAC may proceed with requesting the GCA GA increase the parent budget and take the project off Control (Commitment Control changes from Control to Track) and or extend the project an additional three months. Note: This request is most often made at month-end when budget errors need to be cleared expeditiously but may also be requested at any time.
- GCA GA increases the Parent budget by a minimal, necessary amount (to clear current budget errors) and changes the project Commitment Control from Control to Track. GCA GA may also only extend the project by the date included on the Extension Risk form or three months.
- When the amendment is expected to be delayed more than a month but typically less than three months, the CPAC submits:
  - A fully signed Risk Project Request/Extension Risk Request Approval form, with the Spending Authority Requested, Project Number Assigned, or New End Date of project and Risk Extension box checked.

The Extension Risk form is signed by the Principal Investigator, the Department Chair, and the Associate Dean for Research. Signatures ensure these individuals are aware and accepts responsibility for the potential financial risk/burden in the event the amendment is not received or cancelled by the sponsor.

- The budget increase for the Extension Risk is limited up to \$50,000 for a period of 90 days, but the amount may be more depending on risk and approval of the college Associate Dean for Research (ADR). The total increase should include the initial budget increase, if funding has been previously requested to clear prior month end errors. If funds exceed \$50,000 and/or the 90-day period is exceeded, an updated or new Extension Risk Request/Approval form will need to be submitted.
- Please submit the completed and signed Risk Project Request/Extension Risk Request Approval Form to the Assistant Director OSP ([kffoste@clemson.edu](mailto:kffoste@clemson.edu)) for review/approval; which will then be routed to GCA for final approval and processing.

**GCA GA:**

- Updates the “Project Status” on the Project GL panel from “Approved” to “Ext-Risk” to indicate the new risk status; extend the project end date by 3 additional months.
- Updates the Total Award Panel – Award Status to “X” – to indicate extended risk.
- Updates the Commitment Control from “Control” to “Track”.
- Updates the Parent budget Direxp and Indexp (only) to reflect the additional funding. This will allow continued operation without the need to contact GCA to increase the parent budget each time charges post.
- **GCA Transactional Team:** (Upon receipt of actual amendment/award documents)
  - Updates project status - Ext Risk (Project GI panel) is changed back to Approved.
  - Updates and increases/decreases Parent and Child budgets to reflect the modification amounts awarded.
  - Changes Award Status from “X” (Ext Risk) to “M” (Modified).
  - Updates the Commitment Control from “Track” to “Control”.

In the event 90 days has passed and the additional funding has not been received by Clemson, the end date of the project may be extended. However, if more funding is needed on the Extension Risk project, a new or updated Extension Risk form will be required.

In the event Clemson is notified that additional funding will not be provided or the extension of time was not approved, GCA will immediately inactivate the project and any overage costs incurred must be transferred off the Extension Risk project within 30 days of the date of notification, or as soon as possible.

Updated 07/10/2024