UNIVERSITY of NORTH DAKOTA
RESEARCH & ECONOMIC DEVELOPMENT
POLICY LIBRARY

NO-COST EXTENSION

Section 1, Research

Policy 7, No-Cost Extension

Responsible Executive: VP for Research & Economic Development

Responsible Office: Grants & Contracts Administration

Issued: December 1, 2015

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POLICY STATEMENT

University of North Dakota (UND) principal investigators (PIs) must obtain approval for a no-cost extension from Research Development & Compliance (RD&C), UND's authorized signatory. A no-cost extension may be granted by RD&C when all three of the following conditions are met: the end of the project period is approaching, there is a programmatic need to continue the project, and there are sufficient funds remaining to cover the extended project period. Extensions will not be granted for the sole purpose of spending remaining funds.

REASON FOR POLICY

This policy is designed to assist PIs and other university personnel in obtaining a no-cost extension on sponsored projects. This policy provides guidelines mandated by federal regulations and consistently applied to all sponsors.

SCOPE OF POLICY

This policy applies to all members of the University community and should be read by:

- ✓ President
- ✓ Vice Presidents
- ✓ Deans, Directors & Department Chairs
- ✓ Grants & Contracts Administration (GCA)
- ✓ Faculty
- ✓ Staff

- Students
- ✓ Others:
  - ✓ Research Development & Compliance
  - ✓ Principle Investigators
  - ✓ Department Administrators

WEB SITE REFERENCES

This policy: http://und.edu/research/_files/docs/policy/1-7-no-cost-extension.pdf
Vice President for Research & Economic Development: http://UND.edu/research/

CONTENTS

RELATED INFORMATION

2 CFR § 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards	http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

CONTACTS

General questions about this policy can be answered by your department's administrative office. Specific questions should be directed to the following:

Subject	Contact	Telephone	E-Mail / Web Address
Policy Content and Clarification	Grants and Contracts Administration	777-4151	http://UND.edu/research/grants-and-funding/

DEFINITIONS

No-cost extension	Extends the end date of an award without additional funding.

PRINCIPLES

OVERVIEW – University of North Dakota (UND) principal investigators (PIs) must obtain approval for a no-cost extension from Research Development & Compliance (RD&C), UND's authorized signatory. A no-cost extension may be granted by RD&C when all three of the following conditions are met: the end of the project period is approaching, there is a programmatic need to continue the project, and there are sufficient funds remaining to cover the extended project period. Extensions will not be granted for the sole purpose of spending remaining funds.

This policy is designed to assist PIs and other university personnel in obtaining a no-cost extension on sponsored projects. This policy provides guidelines mandated by federal regulations and consistently applied to all sponsors.

PROCEDURES

Depending on sponsor requirements, there are two ways a no-cost extension may be requested. Both methods require UND approval:

1. **No-cost extensions that require sponsor notification –** These are typically only allowed by federal sponsors, are for a period of time up to one year, and are granted on a one-time basis.
2. **No-cost extensions that require sponsor approval –** These extensions often require a written letter justifying the need for the additional time, as well as an overview of the remaining budget and how the funds will be used during the extension period.

The sponsor has the right to deny a no-cost extension. Therefore, a no-cost extension should be requested with enough time to close out the project in an orderly manner in the event that the request is not granted. Although an initial no-cost extension may be granted, some sponsors will not approve a request for a second extension.

If the PI is unsure of the appropriate method he/she should contact Grants & Contracts Administration for assistance. University approval must be obtained for all no-cost extensions.

Submitting Electronic Sponsor System Requests

Follow these steps to request a no-cost extension via electronic sponsor system:

1. The PI will complete a no-cost extension request form and submit it to Grant & Contracts Administration (GCA). This should be done 45 days prior to the current end date of the project to ensure the sponsor receives the request before the end date. If the sponsor requires a letter, include it with this form.

2. Upon receipt, GCA will review the no-cost extension and forward the form to RD&C.

3. The PI must initiate the extension request in the corresponding electronic system in conjunction with the submission of the no-cost extension request form to GCA.

4. RD&C will review and sign the no-cost extension if approved. After approval, RD&C will notify the PI that the no-cost extension has been approved and signed. The electronic request will then be submitted by the appropriate individual as determined by the sponsor.

5. If the sponsor sends the approval or denial directly to the PI's attention, the PI will forward a copy of the communication to GCA so the project information may be updated. If RD&C receives the approval, they will notify the PI and GCA.

6. If necessary, the PI will follow-up on the status of the no-cost extension with the agency.

Submitting Paper Requests

Follow these steps to request a no-cost extension via paper:

1. The PI will complete a no-cost extension request form and submit it to Grant & Contracts Administration (GCA). This should be done 45 days prior to the current end date of the project to ensure the sponsor receives the request before the end date. If the sponsor requires a letter, include it with this form.

2. Upon receipt, GCA will review the no-cost extension and forward the form to RD&C.

3. RD&C will review and sign the no-cost extension if approved. After approval, RD&C will notify the PI that the no-cost extension and letter (if applicable) have been approved and signed, and the documents are ready to be mailed by the PI.

4. If the sponsor sends the approval or denial directly to the PI's attention, the PI will forward a copy of the communication to GCA so the project information may be updated. If RD&C receives the approval, they will notify the PI and GCA.

5. If necessary, the PI will follow-up on the status of the no-cost extension with the agency.

Potential Consequences of Not Following No-Cost Extension Policy

PIs not following the no-cost extension policy may face potential consequences:
1. A no-cost extension may not be granted which would result in the award being closed on its current end date.
2. Individuals or units may receive additional oversight or training.

RESPONSIBILITIES

Principal Investigator and/or Department Designee	▪ Complete and submit the no-cost extension form and applicable documents to GCA; submit the no-cost extension if applicable.
Grants & Contracts Administration	▪ Review the no-cost extension documents and forward them to RD&C.
Research Development & Compliance	▪ Approve or deny the internal no-cost extension form. ▪ Inform the PI of the no-cost extension approval or denial. ▪ Submit the no-cost extension if applicable.

FORMS

No-Cost Extension Form	http://und.edu/research/grants-and-funding/_files/docs/no-cost-extension-request-form.pdf

APPENDICES

Appendix 1 – Frequently Asked Questions	

REVISION RECORD

12/01/2015 – Policy Implementation	Signed by President Robert O. Kelley

Frequently Asked Questions

1. When should I request a no-cost extension?

    The no-cost extension form should be completed and submitted to Grants & Contracts Administration (GCA) 45 days prior to the current end date of the project. However, some sponsors may require additional time. Please allow time for GCA and Research, Development & Compliance (RD&C) to review and process your request.

2. How long of a no-cost extension may I request?

    You should request the actual amount of time needed to complete the project. Typically, requests are up to twelve months.

3. What are some reasons a sponsor may approve a no-cost extension?

    Additional time is needed to assure completion of the original approved project scope and objectives. This may be attributable to the following:
    - Lack of success in locating a graduate student with suitable capabilities.
    - Extensive delay in production or shipment of key equipment or supplies.
    - Transfer of a key project participant, or time lost due to illness/injury of a key project participant.

4. Under what conditions are requests likely to be denied?

    - The request was made only for the purpose of using remaining funds.
    - The request was received after the deadline for submission of request or after the original end date.
    - The terms and conditions of the award prohibit the extension.

5. Who approves or denies my request for a no-cost extension?

    Some sponsors will allow the institution to approve or deny requests following sponsor-defined guidelines, while others require the institution to submit the request to the sponsor for approval.

6. How will I know if my request has been approved by UND?

    RD&C will notify the PI that the no-cost extension has been approved or denied. The documents will then be ready to be mailed by the PI if applicable.

7. How will I know if my request has been approved by the sponsor?

    Typically RD&C will receive the notice. RD&C will notify the PI and GCA directly, once approved or denied. If the PI received notice directly from the sponsor, the PI is to forward the communication to GCA.

8. What happens if the effort of any key personnel is reduced during the no-cost extension period?

   If the reduction is greater than (>) 25% sponsor approval is required. Please contact GCA for further instructions. An example of the 25% reduction is if you proposed effort of 50% and reduce your effort to 30% you will have reduced your effort by 40% and need sponsor approval.

9. What happens if I haven't received the approval for the extension and the award has ended?

   All grant and contract activities must cease. The PI should follow these next steps:

   1. Contact the sponsor to see what the status of the no-cost extension is.
   2. Contact GCA to discuss the options available.

10. May I submit a request for a second no-cost extension?

    Yes. When a second request is allowed, it usually requires direct review by the sponsor and a lead-time of approximately 60 days. For more information, consult the terms and conditions of your sponsored agreement, sponsor guidelines, or contact UND GCA for guidance.

UNIVERSITY OF NORTH DAKOTA
No-Cost Extension Request Form

Complete this no-cost extension request form. After obtaining the department chair/head signatures, please submit the completed form to Grants and Contracts Administration (GCA) Stop 7306. After GCA has reviewed the request, the documents will be forwarded to RD&C for approval. If the sponsor requires a written letter, please submit it with this form. This letter should be on departmental letterhead. Please contact GCA with any questions.

Principal Investigator Information:

_____ _____ _____
Principal Investigator (printed name)   Department Name   Phone #

_____
Principal Investigator e-mail address

Project Information:

_____ _____ _____
Sponsor/Funding Agency   UND Award/Project #   Sponsor Award #

_____
Project Title

_____ _____
Current End Date   Requested End Date   1st Extension   2nd Extension

Reason(s) the extension is needed

Estimate of funds expected to be remaining at the current end date   _____

Will the effort of any key personnel be reduced greater than (>) 25% during the no-cost extension period?   Yes   No

If the reduction is greater than (>) 25% sponsor approval is required. Please contact GCA for further instructions.

Has the PI initiated an electronic request with the sponsor?   Yes   No

If yes, what is the website?   _____

How would you like to be notified that the no-cost extension is ready?   Email   Phone

REQUIRED SIGNATURES:

_____   _____
Principal Investigator   Date   Chair/Department Head   Date
                                                                    (for acknowledgement purposes only)

_____   _____
Co-Principal Investigator   Date   Grants & Contracts Administration   Date

_____
Other   Date

INTERNAL USE ONLY

_____
Research Development & Compliance   Date

Institution approved _____   Institution denied _____   Notification sent to PI _____   Date notified _____
                     (initial)   (initial)   (initial)