

PI Article – Advance Project Numbers (APN)

There are often situations where the initiation of a pending award may occur after the start date of the period of performance, or you require 90-day pre-award time to prepare for the work to purchase equipment (or other pre award tasks) to be ready to work on the start date.

Common reasons for needing a place to record expenses in advance of a finalized award agreement include:

- (1) A known delay due to difficult negotiations,
- (2) Key individuals identified in the proposal need to travel to a kick-off meeting,
- (3) Equipment or equipment booking time needs to be purchased to begin the work,
- (4) Postdocs or technicians need to be hired, and
- (5) The PI is on a tight work timeline.

While incurring costs to begin work may be understandable per the reasons above, the charging of those costs to non-sponsored funding source can be problematic because moving the costs onto a sponsored funding source will require a cost transfer. To avoid the need for cost transfers (which present red flags to our auditors), an “advance project number” (APN) can be used.

To justify the establishment of an APN, there should be strong evidence that an award agreement with an established start date is forthcoming. A preauthorization letter, notice of intent to fund, or authorization to proceed from the sponsor are examples of evidence of a forthcoming award. In the absence of these items, the department may still wish to establish an APN. Because the APN is set up at the risk of the department, a discretionary non-sponsored funding source must be identified by the department to cover any deficits that may occur.

Several things to keep in mind:

- In general, only charges incurred within 90 days of the start date of the award will be recognized by federal sponsors.
- All expenses charged to an APN must be for costs that will be allowable when the agreement is finalized.
- If the award is anticipated or known to involve compliance restrictions such as language triggering the need for a Cybersecurity Plan or approved protocols from IRB and/or IACUC, the APN would not be permitted since these have to be in place before work can begin and expenditures can occur.
- The amount of the request should be limited to the amount necessary to begin the work and not the entire anticipated amount of the award. Even if expenditures are incurred, we cannot submit invoices to the sponsor until the award is official.
- The benefit of the APN is that the number established remains the same when the official award is entered into the system. This eliminates the need for cost transfers.

A “Request for Advance Project Number” form must be filled out and sent to the Office of Sponsored Programs (OSP) Contracting Officer (CO) by the department. The form can be found on the OSP website at osp.gatech.edu.

If you have any questions on advance project numbers, please contact Josh Rosenberg at josh.rosenberg@business.gatech.edu.