

No-Cost Extensions

Defined:

A no-cost extension extends the project period beyond the original award end date. The term “no cost” means no additional funding will be forthcoming, but the extension will allow additional time to spend down existing funds and ensure that all deliverables can be met. A no-cost extension should be requested well in advance of the project period end date when it is determined that there is a critical need to continue with the program and there’s sufficient funding remaining to cover ongoing costs.

Requirements:

Each sponsor agency normally has their own guidelines for requesting extensions. This information is either provided within the signed agreement, notice of award, or can be found on their website. If it is determined that additional time will be needed past the award period end date to meet the objectives of the grant, a request for a no-cost extension would be required. Funds received from Foundations and/or private entities almost always require approval to extend the award period past the original contracted end date. As Foundations usually mandate that these types of requests go before a Board for review and approval, it’s best to be proactive and submit no-cost extension requests well in advance of the award period end date and within the time period allowed as indicated in the award documentation.

Justification & Best Practice:

There is no guarantee that a sponsor agency will approve a no-cost extension. Just because the award still has funds available does not validate the need for an extension. You must make a strong case on how the program and the sponsor would benefit from an expanded award period.

A best practice would be to submit a request for extension as soon as it becomes apparent that more time may be needed to accomplish the program objectives, thereby, providing enough time to effectively complete the project work in the event that the extension is denied. Be aware, however, that some grants are funded with a year-by-year appropriation which means that a no-cost extension could not be granted as the money is no longer available after the award end date. In this type of situation, a contingency plan may be needed to ensure that deliverables can be met within the original award period.

Requesting an Extension:

Written requests for no-cost extensions are generally prepared and submitted by the Principal Investigator or Program Director to the sponsor agency’s Program Officer; however, the first step in the process is to contact your Grant Accountant for assistance. The Accountant will be able to review account balances and verify sponsor agency guidelines for submitting extension requests. The next step would be to begin preparing the formal extension request. Some sponsor agencies may have an online process or standard form, but for those who do not, the request should be submitted on campus letterhead. To begin, start off by requesting an extension of the award period thru a specific date. For

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example, if the original award end date was March 31, 2018, you may want to request a 12-month extension to March 31, 2019.



The extension date needs to be reasonable and achievable. (Please note that additional extension requests are not normally approved by the sponsor and may make it appear that the Grantee is incompetent or negligent in handling sponsor agency funds if additional requests are submitted.) A narrative as to why funds have not been spent should also be included (this could encompass any road blocks or unforeseen obstacles encountered along the way), the benefits that will be realized by extending the award period, and how you anticipate the remaining funds will be spent. Please make sure that this is in line with the actual budget. If the budget is out of sync with how you will be spending the remaining funds, this will need to be clearly addressed by including a formal budget modification request as well.

Whether or not the extension is approved, the sponsor agency response needs to be forwarded to the Grant Accountant to ensure that the correct award end date is recorded in the campus' Sponsored Programs Database.

To Summarize:

- **No-cost extensions are generally prepared and submitted by the Principal Investigator or Program Director.**
- **No-cost extensions should be requested in advance of the award period end date and in compliance with the funder's guidelines.**
- **Requested extension dates need to be reasonable and achievable.**
- **A strong justification needs to be made as to how the programmatic needs of the project will be met during the extension and a plan for how the remaining funds will be used to support the programmatic needs.**
- **Grant Accountant needs to be advised of sponsor agency's response.**

Sample Letter

Date

Program Officer
Sponsor Agency
Address
City, State Zip

Re: Award Number: 1234567-01
Project Title: 2017-2018 ABC Grant

Dear Program Officer:

The purpose of this correspondence is to request a 12-month no-cost extension of the above-referenced grant through March 31, 2019.

We require this extension in order to *(complete a particular objective, re-run crucial experiments whose unexpected outcomes must be verified, prepare, submit, and arrange for publication of scientific manuscripts, etc.)*. We were unable to complete this project during the *contracted award* period because *(the program start date was delayed due to..., we had to find another qualified instructor to help with our summer camp as the professor originally assigned had another teaching commitment, our experimental media turned out to be tainted and skewed all our results, etc.)*.

We estimate that the project currently has a budget balance of \$_____. A budget detailing our proposed use of these funds is attached, along with a justification. As you will note, during the proposed no-cost extension period, we will utilize these funds to *(purchase specific supplies, travel to a key meeting, provide field trip transportation to our summer camp participants, etc.)*. There will be no change in the project's originally approved scope of work.

Also attached are evidence that our project holds current *(IRB, IACUC)* approval, along with a progress report detailing the specific objectives we've completed, and those outcomes we hope to complete during the proposed extension period.

We look forward to a favorable review of our request.

Respectfully,

PI Name
Principal Investigator

cc: Grant Accountant, Post Award Grant Administration