

NICHD Standard Operating Procedure:



Carryover / Offset of Funds

Background: The mechanisms that currently do not have automatic carryover authority are: centers (P30, P50, P60, etc.), *cooperative agreements (U's)*, NRSA awards (T's and F's), Non-fast track Phase I SBIR and STTRs (R43, R41), clinical trials, and awards to individuals. The NoA may, in rare instances, limit carryover authority on other mechanisms.

For grants that do not have automatic carryover authority – Unobligated balance funds are restricted and may not be used by the grantee institution without prior written approval.

NICHD staff has the authority and responsibility to use balances from each budget period to help fund awards in a subsequent budget period by use of either offset (aka Partial Pay) or carry over.



Offset or Carry Over...what's the difference?

Offset – Unspent funds (unobligated) funds from a prior budget period are used to partially pay or offset new funds awarded in a current year NoA. The prior year funds *replace* new funds on the award.

Carry over – Unspent funds (unobligated) from a prior budget period are authorized to be used in a current year *in addition to the* original commitment.

On your NoA,

Both offsets and carryovers are reflected on the NoA under SECTION IV – HD Special Terms and Conditions.

YOUR CARRYOVER REQUEST



How To

Grantees: The authorized organizational representative (AOR) of the grantee organization must submit a signed, written request. Grantees may elect to submit carryover requests via e-mail (see <http://grants.nih.gov/grants/guide/notice-files/NOT-OD-00-009.html>).

The request must include:

- **An explanation of why the funds remain**
- **A scientific rationale and a plan for the use of funds**
- **A categorical budget**
- **A detailed budget justification.**

NOTE: The requested total costs may not exceed the available unobligated balance on the current FSR. The FSR must be submitted to and accepted by the Government Accounting Branch, Office of Finance Management (OFM), for NICHD staff to consider the carryover request.

F&A rates: the indirect cost rates in effect at the time of the carry over authorization will apply to the carry over amount. Policy: Supplemental awards and revised awards providing additional funding will reflect current F&A rates, even if different from those used to calculate F&A costs for the parent award. The parent award amounts will not be adjusted. This applies to a previously restricted unobligated balance from a prior period approved for expenditure in the current budget period.

Procedure:

Both Grants Management and Program staff will review requests for carry over of funds. When reviewing requests NICHD staff will consider:

- whether the request is justified
- if the funds are available
- if the request duplicates funding already provided in the current year support
- if the request overlaps with a previous request
- if the request signifies program expansion, and
- if approval will generate a recurring cost in future years.

Policy:

Carryover requests **up to \$500,000** can be reviewed and approved by NICHD grants management and program staff. Carryover requests **greater than or equal to \$500,000** require NICHD Deputy Director's approval.

NOTE: When a carry over is authorized, it will be reflected on the NoA as an increase in the **Approved Budget** amount. The total federal award amount remains unchanged.