

CLINICAL TRIALS - AUTHORITY TO SPEND PRIOR TO RECEIPT OF CASH

Purpose: A means to establish spending authority prior to receipt of cash.

Method: Complete the [Application to Establish a Chartfield Value form \(ECAV\)](#).

Project Total Determination:

Grants and Contracts Accounting will establish a project total based on this form. The project total controls spending; therefore, it is not necessary for a budget category to have a dollar amount in excess of \$-0- in order to spend against it.

Budget Categories:

Budgets need to be established in the same categories as the University's financial system to account for costs. The budget categories will initially be established with \$-0- budget based on the budget categories provided by the Office of Research Administration and/or department. If the clinical trial does not include a budget or is based on a per procedure or per item, the budget will be established for each deposit in the following manner:

Salary/Fringe	1/3 of direct costs
Supplies	1/3 of direct costs
Other	1/3 of direct costs plus dept and/or section percent of F&A when applicable
F&A	10% mandatory for Provost

As deposits are received, the budget categories will be populated and allocated.

Application to Establish a Chartfield Value

Only Section 3 parts 4 & 5; and Section 5 are necessary to complete.

Section 3, part 4 New (Part 4 From is not applicable):

FUND: SPNSR
GL ORG: Insert appropriate GL ORG (always end with an "S")
PROGRAM: Insert Program assigned by Grants and Contracts Accounting
PROJECT: Insert Project No. assigned by Grants and Contracts Accounting

BUDGET TYPES:

Please designate appropriate type out to side of Budget Total on form.

Type 1. Total of Award - allows spending up to the total possible for award regardless of available cash. EX: Award is for \$50,000. Project total will be set as \$50,000. Categories will be budgeted at \$-0- and increased as deposits are received.

Type 2. One Time - allows spending up to designated amount on this form. Once spending reaches this level and there have not been deposits made to exceed designated amount, then spending ceases until designated amount is increased or additional deposits are received. EX: Designated amount on form is for \$10,000. Project total will be set as \$10,000. If \$5,000 is deposited, categories will be budgeted for \$5,000 and project header will remain unchanged. If \$15,000 is deposited, categories will be budgeted for \$15,000 and project total will be increased to \$15,000.

Type 3. Add'l One Time - same as #2 plus accumulated deposits as of effective date on form. This works well with existing clinical trials with deficit cash balances. EX: Accumulated deposits of \$25,300 + \$10,000 designated on form = \$35,300 project total.

Type 4. Float - Initially the project total will be established based on this form. As deposits are made, the project total will increase by deposit amount. In other words, the designated amount "floats" as deposits are made up to total amount of award. EX: Designated amount is \$10,000. Deposit is received for \$5,000. Project total is adjusted automatically to \$15,000 by Grants and Contracts Accounting. Categories will be budgeted for \$5,000.

Section 3, part 5:

An appropriate chartfield spread must be identified as an alternate source of funds. It cannot be under Fund SPNSR. A sponsor of the designated chartfield spread must sign this section.

Section 5:

Only the department chair or designee is required to sign.

NOTE: The department may elect to provide a memo from their departmental chair in lieu of this form to apply to all clinical trials. It must clearly contain a Budget Type and include Section 3, part 5. The Department Chair must sign this memo.

