

No Cost Extensions – Grants and Cost Reimbursable Contracts

While sponsors expect Principal Investigators (PIs) to complete projects by the stipulated end date, occasionally extra time is needed. A no cost extension (NCE) gives the PI extra time to complete the scope and objectives of the project without additional funds being provided. An NCE requires clear cut justification, RAF approval, sponsor approval, confirmation of unexpended funds, and certification as to the status of required technical reports and other compliance matters. NCEs are not granted solely due to the fact that unexpended funds remain in the project. The [NCE Request Form](#) must be submitted to your pre-award grant administrator at least 30 days prior to the end date of the grant or cost reimbursable contract. The signature of the PI is required in order for the request to be considered by RA&F.

Requests for NCE's must be supported by a strong justification relating to why the work could not be accomplished on time, and what work will be done during the extension period. You should only request the actual amount of time needed to complete the project. Typically, requests range from one to twelve months

An NCE might be relevant in situations where:

- Additional time is needed to assure completion of the original approved project scope and objectives.
- To collect data lost in a campus building fire or other unforeseen incident.
- Lack of success in locating a suitable graduate student or post doc
- Extensive delay in production/shipment of key supplies or equipment
- Transfer of a key project participant, or time lost due to illness, injury, or other medical leave

Please note that if the award requesting a no cost extension has subcontracts, the extension of the Prime does not automatically extend to the subcontracts. Such awards must be extended by submitting the [Request To Change Subaward](#). This can be done once the Prime NCE is approved. Please allow additional time for this to be completed.

No Cost Extensions – Fixed Price Contracts

Performance – based fixed price contracts are financed differently than grants and cost reimbursable contracts. In this type of award a Principal Investigator (PI) agrees to perform the work for a predetermined amount of money. Great care must be taken with the budgeting, contracting, and assessing institutional risk before this type of project is undertaken. Although budgeted to be as close as possible to the likely costs, it is not always an exact fit. If the cost of the project is under-estimated there will be a shortfall, and if payments from the sponsor exceed the actual costs, residual funds will remain after the project is completed. As a result, no-cost extensions (NCEs) of fixed price contracts are different than NCEs for [grants and cost reimbursable contracts](#). An

“Internal NCE” can only occur with a fixed price contract, after the funds have been received and reconciled, and the deliverables completed. If at that point, additional funds remain in the balance of the award, and specific project related activities are proposed, RAF may allow for the extension. These circumstances will be considered on a case by case basis.

To request an internal NCE of a fixed price contract submit the standard [NCE Request Form](#) to your pre-award grant administrator following completion of the project, transmission of deliverables to the sponsor, and payment in full by the sponsor. Note that this is a request for a fixed price contract by adding “Internal” next to “check the appropriate box”. This NCE still requires clear cut programmatic justification, confirmation of the amount of unexpended funds, and certification as to the status of required technical reports and other compliance matters. NCEs are not granted solely due to the fact that unexpended funds remain in the project. The NCE must be supported by strong justification relating to the work that will be done during the extension period and its associated cost. Typically, only one NCE for up to one year is provided. The PI may be asked to include an explanation for why the actual expenses were substantially less than the payments received and how the work was able to be successfully completed at the substantially reduced cost. The PI must attest to the fact that no institutional funds, or other sponsored project funds, was used to pay expenses that were budgeted for and directly related to the fixed price contract. It must be demonstrated that all funds budgeted for students have been expended for that purpose and, if not, why that was the case.

If you have any questions, please feel free to contact your RA&F Pre-Award grant administrator at any time.