Purpose
To define the purpose of, and process for, initiating a Project Financial Guarantee.

Introduction
Project Financial Guarantees (PFGs) are initiated by a unit in anticipation of receipt of a sponsored program award for external funding. A unit may initiate a PFG to facilitate certain business transactions related to a pending award. Some transactions may require establishment of a fund for non-financial purposes, such as such as initiating personnel actions, while other transactions may require access to institutional financial resources in anticipation of a pending award. Actual expenditures may be incurred when the unit is confident that the pending award will cover project-related expenses. Creating a PFG fund eliminates the need for later cost-transfer accounting. In the event the award never arrives (or arrives with a later than expected begin date), PFG charges will accrue to the unit that has assumed responsibility for the financial guarantee.


Procedure
1) Responsible Unit
   a. PFG’s are initiated from the RAMSeS proposal screen by anyone who can see the proposal (its creator, the personnel named on the personnel screen, and people with Proposal Data Access in the admin unit). Note that baseline RAMSeS procedures generally require annual proposal routing for each project. For existing awards, this is done when the progress report is submitted (generally several weeks ahead of any renewal dates). Thus, there should always be a fairly recent proposal which can be used to initiate the PFG. In the event there is no such recent proposal, it may be necessary to route a proposal in support of the anticipated award renewal or extension.
   b. Go to the Routing Status Screen (generally the screen you see when you click on the proposal number) – Note: the proposal must be approved by all unit and college approving parties before the Financial Guarantee function is available;
   c. Click on the Financial Guarantee tab;
   d. Choose Add Financial Guarantee;
   e. Describe the Assurances of Funding (the evidence that funding is pending);
   f. Set the account type to NEW;
   g. Enter the name of the person best able to answer questions about the request;
   h. Click Submit;
i. The PFG will show up in the Financial Guarantee Inbox of the unit leader and any
designees. Once approved there, it will route to the appropriate Dean or designee.
Upon approval there, it will route to OSP for processing (it is logged and sent to
Grants Accounting for Banner implementation).
j. For a video walk-thru of the PFG approval steps for unit leaders, see:
http://www.ecu.edu/cs-acad/osp/upload/Approve-PFGQuickTip.mov.

2) OSP:
a. Data Manager (DM) receives approved PFG in “New Account Requests” Bucket.
   i. Determines Appropriate Grant Officer (GO)
   ii. E-mails PFG (in PDF) to GO

b. GO reviews proposal status and justification for PFG.
   i. Evaluates likelihood of prompt full award
   ii. Evaluates compliance issues in accordance with OSP Compliance SOP

c. GO creates $0.01 Award and Forwards to DM
   i. Uses existing Award Project if possible
   ii. Attaches Proposal used to generate PFG
   iii. Lists “Financial Guarantee” as Award Number
   iv. Attaches PFG to Award
   v. Insures F&A rate is correctly listed

d. DM routes Award Package to Grants & Contracts Administration (OGC) and makes
   note in tracking log.

e. Once OGC has completed its setup process, it will return Award Cover Sheet to DM
   with fund number and notes. If OGC returns without Fund number then consult with
   GO.

f. DM completes RAMSeS Award Processing.
   i. Set PFG to Funded, enter Fund number
   ii. Set $0.01 Award to $0.00 and distribute

g. Award Cover sheet filed in Log Book by DM.

Exceptions
N/A