Bridge Funding for ARRA-Funded Work for Others Agreement

Brief

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BRIEF

Policy Summary

This policy provides guidelines for the appropriate use and application of bridge funding to cover Work for Others (WFO) costs at Berkeley Lab when the prime sponsor's source of funds is the American Recovery and Reinvestment Act (ARRA).

Bridge funding refers to limited University of California (UC) funds used to temporarily cover funding requirements under certain conditions. Bridge funding is not intended as a substitute for appropriate cash and funding management. It does allow for the start or continuation of research due to various sponsor-timing issues. Agreements with sponsors that may represent a risk of becoming uncollectible are not candidates for bridge funding.

Who Should Read This Policy

All employees with financial responsibilities for ARRA-funded projects

To Read the Full Policy, Go To:

The POLICY tab on this wiki page

Contact Information

- WFO Analyst, Budget Office
- Direct Budget Manager, OCFO
- Office of Sponsored Projects and Industry Partnerships (OSPIP) Manager

Policy

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POLICY

A. Purpose

This policy provides guidelines for the appropriate use and application of bridge funding to cover Work for Others (WFO) costs at Lawrence Berkeley National Laboratory (Berkeley Lab) when the prime sponsor's source of funds is the American Recovery and Reinvestment Act.
(ARRA).

B. Persons Affected

All employees with financial responsibilities for ARRA-funded projects

C. Exceptions

None

D. Policy Statement

D.1 General

1. Bridge funding refers to limited University of California (UC) funds used to temporarily cover funding requirements under certain conditions. UC authorizes Berkeley Lab to use these funds to cover ARRA-funded WFO costs when:
   a. A non-federal sponsor has not yet provided advance funding and it is in the best interest of Berkeley Lab to advance the funds to begin or continue work.
   b. A non-federal sponsor has not yet provided an amendment for a continuing award and there is assurance from the sponsor that additional funding is forthcoming and the sponsor has requested that work continue while the amendment is in process.
   c. For federal entities and DOE-integrated contractors, use of bridge funding will be determined on a case-by-case basis.
2. Bridge funding is not intended as a substitute for appropriate cash and funding management. However, it does allow for the start or continuation of research due to various sponsor-timing issues. Agreements with sponsors that may represent a risk of becoming uncollectible are not candidates for bridge funding.

D.2 Requirements

1. This policy limits requests to less than $250,000, which may be used for no more than 90 days. If additional time and/or funds are needed, a new request is required.
2. The use of UC funds does not relieve Berkeley Lab of its responsibility to comply with all other DOE and ARRA requirements for WFO contracts. Any uncollectible receivables resulting from bridge-funding activity are ultimately the liability of UC.
3. However, if requested bridge funding is not reimbursed, it is the responsibility of the division director (requesting division) to propose appropriate alternate non-DOE sources of divisional funding for review (i.e., gifts) before use of Berkeley Lab UC contingency funding is considered. Uncollectible amounts that cannot be funded from divisional funding sources will be charged to the UC contract fee, thereby reducing the following year's allocation of Contractor Supporting Research (CSR) funding to Berkeley Lab.

D.3 Sponsor Criteria

1. Federal entities and DOE-integrated contractors: Use of bridge funding will be determined on a case-by-case basis.
2. Non-federal entities; i.e., state and local governments and public or private entities

D.4 Approval Criteria

1. Approval will be based on fund availability, institutional risk, and institutional need. As bridge funds are limited and may not be available in a particular month, costs must not be incurred until approved bridge funding is in place. Requests should be the minimum amount needed to begin and/or maintain the project. Requests should be submitted to the Office of Sponsored Projects and Industry Partnerships (OSPIP) 60 days prior to the accounting period in which the funding will be needed. If the request is for a signed new or continuing award that is awaiting advance payment, submit the request directly to the Budget Office. Include a copy of the signed contract/amendment and advance invoice with the request.
2. For a new award, a written reimbursable agreement must be accepted prior to the allocation of bridge funds.
3. For continuing awards, the bridge funding request must include written confirmation from the sponsor's contract officer or authorized administrative official confirming the intent to continue the research project and reimburse Berkeley Lab for costs incurred while on bridge funding.
4. In addition to the standard approvals, any bridge funding request exceeding $250,000 or for a period greater than 90 days is an exception to policy and must be signed by the OSPIP Manager. Additionally, an incremental monthly spending forecast must be
provided by the requestor and accompany the request.

Example: Month 1 — $100,000
       Month 2 — $75,000
       Month 3 — $150,000

5. Additional processing time is required for requests that exceed the $250,000 or 90-day thresholds.
6. Bridge funding expires on the specified end date or when the sponsor's funding has been received, whichever is sooner. If additional time and/or funds are needed, a new request is required.
7. The request must include the following signatures before bridge funds are allocated:

<table>
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<tr>
<th>SIGNOR</th>
<th>PURPOSE OF SIGNATURE</th>
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| Principal Investigator | No other method to deal with funding interruption  
                       Agrees to comply with all bridge funding control requirements |
| Division Director (or designate — limited to Deputy Division Director or Business Manager) | Recognizes risk that any unallowable or uncollected costs from default will be funded out of appropriate alternative divisional funds or Berkeley Lab CSR funds, but it is in the best interest of Berkeley Lab to assume the risk |
| OSPIP Contracts Officer | Certifies compliance with bridge funding and OSPIP policies |
| OSPIP Manager | Reviews requests over $250,000 or 90 days, or other uses of bridge funds that may be an exception to the policy, and provides contractual risk assessment |
| Budget Office Analyst | Affirms that supporting documentation is appropriate  
                       In consultation with Accounts Receivable, reviews sponsor's payment history and verifies that sponsor has not defaulted payment |
| Chief Financial Officer (or designate) | Approves release of bridge funding |

E. Roles and Responsibilities

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<tr>
<th>Role (division)</th>
<th>Responsibility</th>
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</table>
| Requestor (division) | • Completes an ARRA Bridge Funding Request Form. The form must be signed by the principal investigator and division director and submitted to the division's respective OSPIP Contracts Officer for review, with a copy sent to the Budget Office.  
  • If the request is for a signed new or continuing award awaiting advance payment, it should be submitted directly to the Budget Office along with a copy of the signed contract/amendment and advance invoice with the request.  
  • If the request is sent by e-mail, the award number should be included in the subject line.  
  • The request must be received by OSPIP 60 days prior to the accounting period in which the funding will be needed (e.g., if funding is required for December 1, the request must be submitted to OSPIP by October 1). |

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**OSPIP Contracts Officer**
- Secures funding verification from the sponsor and certifies that the criteria and documentation are appropriate. The request is completed, signed, and forwarded to the Budget Office Analyst, with a copy sent to the division, no less than 10 days before Day Zero of the accounting period prior to which funding will be needed (e.g., if funding is required for December 1, the request must be submitted to the Budget Office Analyst no less than 10 days before Day Zero of November’s close).
- Assuming all other DOE and UC requirements have been met (Human Subjects approval, NEPA/CEQA), enters the approved bridge funding information into the Research Administration, Proposal/Project Information Database (RAPID) and issues the Sponsored Project Award Authorization (SPAA).

**Budget Office**
- Determines whether bridge funds are available and reviews the supporting documentation
- In consultation with A/R, reviews sponsor’s payment history and verifies that sponsor has not defaulted payment. Contacts the requestor and/or OSPIP if there are any issues.
- Secures the CFO’s approval to release bridge funding. Notification of approval and a copy of the request will be sent to the division and OSPIP no less than one day before Day Zero of the accounting period prior to which funding will be needed.

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**F. Definitions/Acronyms**

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<th>Term</th>
<th>Definition</th>
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High-Level Process Flow Diagram

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<tr>
<th>Division</th>
<th>OSPIP</th>
<th>Budget Office</th>
<th>Accounting Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division completes Bridge Funding (BF) request and sends to OSPIP</td>
<td>OSPIP reviews &amp; completes request (copy to Division)</td>
<td>Budget Office reviews</td>
<td>Sponsor payment history</td>
</tr>
<tr>
<td>OSPIP and division notify of request disapproval</td>
<td>Sends request to BO for approval</td>
<td>Funding exhaustion and policy compliant?</td>
<td></td>
</tr>
<tr>
<td>OSPIP generates the award or changes award status in RAPID and generates SPAA</td>
<td></td>
<td>Budget Office approves request and obtains CFO approval</td>
<td></td>
</tr>
<tr>
<td>Budget Office distributes to the Division, Budget Office, and A/R</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Sets up project(s) and places in requested status</td>
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CSR
Contractor Supporting Research

DOE-Integrated Contractor
DOE Management and Operating Contractor, e.g., Lawrence Livermore National Laboratory, DOE Chicago Field Office, Sandia National Laboratories

Federal Sponsor
Any entity that is part of the federal government

Reimbursable Agreement
A written agreement to perform work or provide a service for another federal agency or non-federal customer

Requestor
A principal investigator or designated resource analyst

Research Administration, Proposal/Project Information Database (RAPID)
Berkeley Lab's implementation of the PeopleSoft Grants system

Sponsored Project Award Authorization (SPAA)
A report from the RAPID system, issued by the Sponsored Projects Office, that authorizes initial award and post-award administrative and funding actions

Work for Others (WFO)
The performance of work for non-DOE entities by DOE/contractor personnel and/or the utilization of DOE facilities that are not directly funded by DOE appropriations

G. Recordkeeping Requirements
None

H. Implementing Documents

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<tr>
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<td>Bridge Funding Request Form</td>
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<tr>
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I. Contact Information

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- Office of Sponsored Projects and Industry Partnerships (OSPIP) Manager

J. Revision History

<table>
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<tr>
<th>Date</th>
<th>Revision</th>
<th>By whom</th>
<th>Revision Description</th>
<th>Section(s) affected</th>
<th>Change Type</th>
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<tr>
<td>12/12/2013</td>
<td>n/a</td>
<td>Lundell</td>
<td>Shift Next Review to match end ARRA tracking (2015).</td>
<td>Next Review date</td>
<td>Editorial</td>
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DOCUMENT INFORMATION

Title: Bridge Funding for ARRA-Funded Work for Others Agreement

Document number 11.02.012.000
Revision number 1.1
Publication date: 9/26/2013
Effective date: 12/31/2011
Next review date: 8/31/2015
Policy Area: Budget
RPM Section (home) Financial Management
RPM Section (cross-reference) Section 11.52
Functional Division OCFO
Prior reference information (optional) RPM Chapter 11, Section 11.52

Source Requirements Documents
• *DOE Accounting Handbook, Chapter 13*

Implementing Documents

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