

Guide 1304 GD.01 At-Risk Accounts

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Overview

This guide explains how At-Risk Accounts can be used to facilitate the initiation or continuation of a sponsored project prior to receiving an award or official notice from the sponsoring agency. The reason for requesting and establishing an At-Risk Account is that one has received notification of a sponsor's intent to fund a proposal, but the issuance of the actual award document by the sponsor may be delayed and an immediate need exists to begin work or continue existing work that benefits the sponsored project.

The establishment of the At-Risk Account provides the Principal Investigator (PI) access to funding by assigning an account number to the sponsored project in advance of the official award document. The advance assignment of the account number aids in the proper assignment of costs at the beginning of the project which prevents the improper allocation of expenses to an incorrect PTAE0 and further minimizes the need for cost transfers. (A cost transfer is the reassignment of an expense to or from a sponsored project after the expense was initially charged to another sponsored project or non-sponsored project. Cost transfers include reassignments of salary, wages and other direct costs. As part of the University's efforts to improve research administration processes, PIs are encouraged to use At-Risk Accounts when appropriate.)

Note: All At-Risk Accounts will be monitored by the Office of Grant and Contract Administration (GCA) to assess continuation of the risk.

Types of At-Risk Accounts

The University permits and supports the use of At-Risk Accounts to assist in the initiation of research projects and in the reduction of the number of cost transfers. There are two types of At-Risk Accounts that may be permitted:

- **Pre-award Account:** The use of a pre-award At-Risk Account allows the charging of expenses on federal and some non-federal sponsored projects up to 90 days prior to the start date of the award. OMB Circular A-110 gives authority to federal granting agencies to permit grantees to approve 90 day pre-award spending at the grantee's risk.
- **Late Award Account:** The use of a late award At-Risk Account allows the charging of expenses to a sponsored project prior to the receipt of the award document (e.g., notice of grant award, cooperative agreement or fully executed contract) but not before the anticipated start date of the sponsored project (unless the sponsor specifically allows for pre-award costs).

In both of the situations described above, the department assumes responsibility for all costs not funded by the sponsor. In addition, all required compliance reviews (Conflict of Interest (COI), human/animal subjects' approval) must be completed prior to the establishment of an At-Risk Account.

Compliance Issues

The University does not permit the creation of an At-Risk Account until COI disclosure forms have been submitted and reviewed, and if necessary, any potential conflicts have been reduced, eliminated or otherwise managed for all individuals listed in Section VII of the Proposal Summary and Certification Form (ProSum) who have a responsibility for the conduct, design, or reporting of the research. Similarly At-Risk Accounts may not be set up if required human, animal and/or biosafety research protocols have not been approved and congruency determined as appropriate.

Note: When informed that an award is likely to be funded, the PI and departmental business support staff should alert GCA and complete and submit all required COI disclosures and any other research compliance protocols to the appropriate regulatory office sufficiently in advance of the award of the award in order not to impede the establishment of either an At-Risk or a regular account.

Requesting an At-Risk Account

When submitting a request for an At-Risk Account there must be evidence that:

- an award is forthcoming and the start date is confirmed; and/or
- there is a need and it is necessary to incur costs prior to the start date of an award and the sponsor permits pre-award costs.

Requests for an At-Risk-Account must be submitted to and approved by the appropriate GCA office as indicated below under **Contacts**. In addition to GCA's approval, based on a completed request for an At-Risk Account, all compliance issues noted above must be addressed before an At-Risk Account can be set up.

Principal Investigator/Business Checklist

The following checklist is intended to assist the PI and the business office in determining if an At-Risk Account may be established.

- The proposal has been recommended for funding.
- Documentation from the sponsor exists substantiating that the funding is imminent and includes a start date (for example, an email from the Program Officer).
- Does the Sponsor/Agency allow pre-award costs?
(For non-federal awards check with the sponsor to determine if pre-award costs are allowable)
- Is this request to incur allowable pre-award expenses?
- Is it expected that the official notice of award or award document will be received after the project start date?

Regulatory Compliances

The University does not permit the creation of an At-Risk Account until all regulatory protocols have been submitted, reviewed and approved by the regulatory offices. An At-Risk Account cannot be established prior to meeting the following regulatory compliance(s) criteria:

- All individuals responsible for the conduct, design, or reporting of the proposed research have a current and up-to-date COI disclosure on file in the COI Office. If this request is to incur allowable pre-award expenses, all related COI disclosures must be current through the anticipated award start date.
- All animal protocols are approved and determined to be congruent to the proposal by the Institutional Animal Care and Use Committee (IACUC).
- All human subject protocols are approved and determined to be congruent to the proposal by the Institutional Review Board (IRB).
- All other regulatory compliance requests (biohazards, radiation safety, hazardous material, etc.) are on file and approved.

How to Request an At-Risk Account

If all of the applicable criteria above have been met, the PI, with the assistance of the business office, may request the establishment of an At-Risk Account, forwarding all appropriate documentation including a [Departmental Request for Opening an At-Risk Account Form 1304FR.01](#) to GCA for further action.

- The completed form requires the signatures of the PI, business manager, and the department chair acknowledging the department's responsibility for any expenses not subsequently funded by the sponsor.
- The form must be accompanied with supporting documentation relating to the award and forwarded to GCA for further action.
- Once GCA determines the feasibility of a potential award, it will approve the establishment of an At-Risk Account. This approval is dependent upon the outcome of the compliance reviews performed by the Award Setup Unit (ASU).
- Generally, At-Risk Accounts will be set up for a period not to exceed 180 days in order to provide sufficient time for the award to be received. An At-Risk Account may require modification once the award is received.

Questions regarding the set-up of an At-Risk Account can be directed to the appropriate GCA Reviewer.

Contacts

Grant and Contract Administration (GCA)	Telephone Number	Fax Number
Central Campus	432-2460	432-7138
Yale School of Medicine and School of Nursing	785-4689	785-4159

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