

Policy on At-Risk Accounts	Effective Date: July 15, 2014
Related Policies and Procedures:	

I. GENERAL STATEMENT

This Policy sets forth requirements for establishing at-risk accounts prior to the start of a sponsored project. The Policy applies to all Principal Investigators (PIs), co-PIs, and any other person with a role or responsibility in the application for, receipt of, or administration of sponsored projects.

II. DEFINITIONS

- A. At-Risk Accounts: Accounts set up to allow the University to incur expenses relating to a sponsored project before the sponsored project begins.
- B. OMB Circular A-21: The document published by the federal government's Office of Management and Budget that sets forth the governing cost principles for educational institutions.
- C. Principal Investigator: The individual designated by the University as responsible for the scientific or technical direction of the sponsored project. The Principal Investigator is also part of the University team responsible for a sponsored project's financial and administrative compliance.

III. PROCEDURE

A. Situations Meriting an At-Risk Account

The University allows establishment of at-risk accounts in two situations:

1. Pre-award at-risk account: This type of at-risk account allows the PI or other authorized University official to charge expenses to a sponsored project up to 90 days prior to the start date of the project if the sponsor's prior approval to charge pre-award expenses, if required, is obtained in accordance with OMB Circular A-21, sponsor-specific guidance, and/or award terms and conditions.
2. Delayed notice of award at-risk account: This type of at-risk account allows the PI or other authorized University official to charge expenses to a sponsored project prior to the receipt of the official notice of

award, but after learning from the sponsor that a proposal will be funded.

B. Requesting an At-Risk Account

If one of the two situations set forth in Section A of this Policy exist, the PI or authorized University official must request approval to establish an at-risk account from the Chief Financial Officer. Further, all compliance reviews (e.g., Institutional Review Board approval) must be completed before establishing an at-risk account.

The approval request should be accompanied by the following documentation:

- Documentation showing that funding for the charges is forthcoming, such as sponsor approval to charge pre-award costs (if required) or communication from the sponsor that a sponsored project has been funded and an official notice of award will be sent.
- Documentation supporting the expenses the PI or authorized University official would like to charge to the at-risk account, as well as a written explanation of the need to incur the costs prior to the start date of the project or receipt of a notice of award.
- Documentation showing all necessary compliance reviews have been completed.

Once approved by the Responsible Division VP or CEO, each at-risk account approval request will then be forwarded to the CFO to set up the at-risk account in the University's financial system.

C. Expenses Charged to At-Risk Accounts Not Subsequently Funded

If an expense is charged to an at-risk account and is not subsequently funded by the sponsor, the Responsible Division VP or CEO must assume full responsibility for paying the expense.

D. Timing of At-Risk Accounts

All at-risk accounts will be set up for a period not to exceed 30 days. This timeframe may be extended by following the procedure for requesting an at-risk account outlined in Section B of this Policy.

E. Failure to Comply with At-Risk Account Policy

Failure to comply with the Policy set forth above may result in disciplinary action up to and including termination of employment.

IV. EMPLOYEES OF OTHER DISTRICT OF COLUMBIA AGENCIES

To the extent the foregoing Policy is relevant to employees of District of Columbia agencies over whom the University lacks personnel authority, the University will work in good faith with those employees to effectuate adherence to the Policy.

V. CONTACTS

University Office of the Chief Financial Officer
University Office of Sponsored Programs

VI. COMMITTEES REVIEWING/APPROVING PROCEDURE:

Sponsored Programs Policy Committee
Audit, Administration and Governance Committee of the Board of Trustees
Board of Trustees of the University of the District of Columbia

HISTORY/REVISION DATES

Last Amended Date: July 10, 2014

Next Review Date: