

## **REQUEST FOR ASSUMPTION OF RISK**

### **Policy**

This policy defines the general parameters through which a PI, Department, Unit or the Associate Provost for Research and Public/Private Sector Partnerships (APRPPSP) might assume financial risks associated with sponsored research or projects prior to the receipt of a formal award or fully executed agreement or prior to the receipt of continuation support for multi-year projects; sets forth the necessary administrative review process and designates who, within the University, authorizes an assumption of risk (AOR).

### **Definition**

Externally sponsored programs frequently have start dates that precede the finalization or receipt of formal award documents or agreements. When beginning on time is of the essence or when an account number is required to initiate the development of position descriptions and job announcements, the PI can request an AOR. The AOR authorizes the establishment of a restricted funds account from which the PI may make expenditures for 1-3 months.

The AOR can be requested for:

- Preaward expenditures
- New Awards
- The period between the end date of a current budget period and receipt of the next increment of funds or the formal extension of the end date for multi-year projects.

If IRB or IACUC approval is pending, AORs will only be approved for the portion of proposed awards that does not require IRB/IACUC approval.

### **Administrative Review**

AOR requests must be reviewed and approved by the Office of Sponsored Programs (OSP), the Office of Contracts and Grants (C&G), and the APRPPSP.

## **PROCEDURE**

The AOR request package consists of:

- The AOR request form located at <http://www.uncg.edu/rss/forms/AORwebfill1.pdf>
- An itemized budget for the period requested (1-3 months)
- Supporting documents/correspondence

The complete AOR request package is submitted to the Office of Sponsored Programs for Administrative Review.

- Print out the form
- Include copies of correspondence from sponsor and detailed budget for period of AOR (not to exceed 3 months)
- Submit form and documentation to OSP

- OSP reviews, makes recommendation, and submits to C&G
- C&G reviews, and makes recommendation, and returns to OSP
- OSP submits AOR to APRPPSP
  - APRPPSP reviews and makes decision to approve or deny
  - Completed form is returned to OSP
  - Copy of AOR decision is sent to PI
- If approved, the AOR is submitted to Contracts and Grants and a fund number can be assigned. The PI will be notified when this is done.