

The University of North Carolina at Greensboro Assumption of Risk (AOR) Policy

This policy defines the general parameters through which the Vice Chancellor for Research and Economic Development 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 Vice Chancellor for Research and Economic Development.

Procedure

While RAMSeS is available for proposal and awards, the AOR request procedure is still paper-based.

1. The PI completes an AOR request form and attaches supporting documentation:
 - a. The AOR request form is here:
<http://www.uncg.edu/rss/pdfs/AssumptionofRiskForm.pdf>
 - b. The first attachment is an itemized budget for the period requested (1-3 months)
 - c. The second attachment is supporting documents or correspondence (email is fine) to show award is imminent.

2. The PI then submits a paper copy of this AOR request package to the Office of Sponsored Programs. (Emailed PDFs are also acceptable.)
3. The Offices of Sponsored Programs and Contracts and Grants review the request and make recommendations.
4. If the AOR request is recommended by both OSP and C&G, it is returned to OSP to be entered into Ramses.
5. The AOR request is then sent to the Vice Chancellor for Research and Economic Development for approval and guarantee.
6. Once ORED has approved the AOR, this is noted in Ramses and the AOR goes to Contracts and Grants so a fund number can be assigned. The PI will be notified when this is done.

Notes:

- If there are questions or issues with the AOR request at any point during this process, the PI will be notified.
- When the award is officially received by UNCG, the AOR will be cleared as a part of the setup process. No further action by the PI is necessary.

rev 9/11