

At Risk Policy

Effective Date:	February 1, 2018
Supersedes:	None
Policy Review Date:	3 years from effective date
Issuing Authority:	Research Foundation President
Responsible Party:	Senior Director Grants & Contracts Administration
Contact Information:	518.434.7284

Reason for Policy

The Research Foundation for The State University of New York ("RF") establishes this policy to provide a Principal Investigator an opportunity to initiate sponsored programs and incur expenses prior to the receipt of a formal sponsor award. Such advance accounts, also known as At-Risk Awards, facilitate the startup of a sponsored project where a sponsoring agency has provided a high degree of assurance that an award will be approved.

Benefits of setting up At-Risk Awards include the establishment of proper cost centers so to eliminate cost-transfers, as well as permitting timely hiring and purchasing activities critical to the successful conduct of the sponsored program. This policy promotes responsible fiscal management of At-Risk Awards and protects the Research Foundation from excessive financial risk and misappropriation of funds by outlining expectations, approval criteria and management of At-Risk Awards.

Board resolution 93-11 stipulates that decisions to provide advance funding for sponsored projects shall be the responsibility of the campus president or the president's designee within the limits of funding available to the campus. The campus Operations Manager (OM) has been delegated this responsibility as a function of their appointment as OM by the RF President.

Any expenditures or liabilities incurred on the At-Risk Award and not subsequently awarded or allowed by the sponsor will be the sole responsibility of the campus as established in the [Responsibility for Losses Policy](#).

Statement of Policy

In order to establish an At-Risk Award one or more of the following original criteria must exist:

- a. an agreement that is in the imminent process of being executed;
- b. a new budget year of a continuing award;
- c. a new grant for which the award letter has not yet been received;
- d. Projects where work is seasonal or time sensitive in nature.

When one or more of the original criteria outlined in a-d exist, an OM or Deputy OM may approve an At-Risk Award under the following conditions (all inclusive):

1. documented justification;
2. evidence of assurance from a sponsor that an award will be approved or a final agreement will be executed;
3. At-Risk Award dates fall within the sponsor's anticipated award period;
4. expenditures will be in accordance with expected budget categories;
5. backstopping funds are available, committed and obligated by the campus in writing;

6. All regulatory requirements (e.g. IRB, IACUC, rDNA etc.) must be satisfied before activity related to those areas of a project can begin.

Once an At-Risk Award is established the campus must conduct periodic and documented monitoring to ensure the original justifications for advancing funds remain valid.

Restrictions on At-Risk Awards

An At-Risk Award cannot be established if:

1. It is evident that the effective start date of the sponsored award/agreement is tied to the date of final signature on the agreement. In such cases spending cannot begin until the award/agreement is fully executed;
2. An investigator has a positive financial disclosure that requires clearance by the SUNY campus COI Committee prior to the expenditure of funds; or
3. The award includes any terms and conditions that conflict with university policy (e.g. publication, IP).
4. The award is being established for agency services, which must be prefunded.

Note: An At-Risk Award is not needed if the grant or contract term encompasses multiple years to be enacted without the requirement for sponsor authorization.

Six (6) Month Time Period

A newly approved At-Risk award cannot be established for more than six months. Any extension of the original six months must be approved by the OM or Deputy OM.

Campus Policy

A campus may impose stricter local standards for the establishment of an At-Risk Award. For example, a campus may limit the establishment to less than 6 months or require additional approvals.

Exceptions

Any exceptions to the criteria, conditions or restrictions in this policy must be approved by the Central Office Chief Financial Officer or delegate, via the [At Risk Approval to RF CFO](#) form and sent to the [At Risk Requests to CFO](#) email at Central Office.

Responsibilities

The following table outlines the responsibilities for compliance with this Policy:

Responsible Party	Responsibility
Operation Managers or Deputy OM or delegate	<ul style="list-style-type: none"> -Approve At-Risk Awards initially and review no less than 6 months, until awarded or disposed. -Ensure campus wide compliance with policy and related procedures.
Principal Investigator	<ul style="list-style-type: none"> -Request an At-Risk Award and ensure compliance with policy and related procedures. Collect required documentation and approvals. -Submit information and documentation to OM or designee to facilitate approval. -Spend within the constraints of the advance account Collaborate with Sponsored Programs Office and the sponsor to ensure timely receipt of an award document.
Campus Sponsored Programs Office	<ul style="list-style-type: none"> -Assess and advise on the potential risk of establishing or extending an advance account. -Review Principal Investigator's At-Risk Award request and obtain necessary authorization. -Confirm that regulatory and other approvals are in place. -Establish At-Risk Award in Oracle. (decentralized campuses) -Monitor all At-Risk Award activity monthly and ensure compliance with policy and related procedures. -Participate with ongoing review cycle as needed. -Receive notification from Central Office Finance Office in accordance with Financial Risk Accountability Policy and work with other stakeholders on an action plan and resolution.
Central Office Grants & Contracts Administration	<ul style="list-style-type: none"> -Review campus documentation to establish an At- Risk Award in Oracle (for centralized campuses) -Monitor At-Risk Award activity, assist campus and ensure compliance with policy and related procedures. -Assist campus with ongoing review cycle as needed. -Receive notification from Central Office Finance Office in accordance with Financial Risk Accountability Policy and work with campus and other stakeholders on an action plan and resolution.
Central Office Finance	<ul style="list-style-type: none"> -Review Risk Tolerance and take action as appropriate in accordance with the Financial Risk Accountability

Department	Policy .
Central Office Chief Financial Officer	-Approve exceptions to the policy -Work with central office departments, campus and other stakeholders on an action plan and resolution. -Communicate with Board of Directors as required by Financial Risk Accountability Policy .
Board of Directors	-Per the Responsibility for Losses Policy and Financial Risk Accountability Policy determine if campus should be limited in incurring further At-Risk activity based upon the campus action plan, resolution and other relevant information.

Definitions

At Risk Award- An award set up in the Oracle system to allow expenditures to occur prior to the receipt of sponsor's formal notification of award or fully executed agreement.

Backstopping funds- Identified funds that the campus allocates for the total expenditures incurred on an At-Risk Award. They can include but are not limited to: Research Management and Support (RMS) awards, campus departmental funds, campus discretionary funds, other funds as directed.

Related Information

Board Resolution 93-11

[Responsibility for Losses Policy](#)

[Financial Risk Accountability Policy](#)

[Write Off Procedure](#)

[Agency Services Policy](#)

Forms

[At Risk Approval Request to RF CFO](#) Form

Change History

Date	Summary of Change
January 18, 2019	Added At Risk Approval Request to RF CFO form and email.
February 1, 2018	New Policy

Feedback

Was this document clear and easy to follow? Please send your feedback to webfeedback@rfsuny.org.