

UNLV :

the receipt of a fully executed award; 2) prior to the receipt of incremental
or to the receipt of a no-cost extension; or 4) the following circumstances:
arise due to the following circumstances:

to establish a risk account

a. Need for Pre-award Spending

Pre-award spending occurs prior to the stated period of performance of
project. Some federal grants and cooperative agreements (CA) permit spending
immediately prior to the start of the performance period. Resubmits may request a
account for pre-award spending if the grant/CA is confirmed to allow pre-aw
costs and there is documentation that the award is forthcoming. It is important
clarify that most contracts do not allow spending on a basis that covers the
entire performance period is
subsequent modifications are
may request a risk account if
when a modification obligat
received.

c. No-Cost Extension anticip

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D. Mitigate risk on a fixed-price agreement

Fixed price agreements carry a certain amount of inherent risk since UNLV must perform the contracted work regardless of the actual costs. Additional risk can be associated with a poor performance history, contracting with small/startup companies or companies with known financial problems, prior payment problems, international organizations, no prior history with a company, and many other factors. If a contract has significant risk for the university a risk account may be required to guarantee the funds and/or restrict access to funds as they are paid by the sponsor.

2. Requesting a Risk Account

When the PI and Administrator determine that a risk account is needed, the PI must complete the Request for Risk Account form. The form must be signed by the PI, Chair/Director and Dean/VP. The following additional information must also be included with the request:

- A budget outlining the use of the funds including any associated indirect costs.
- Documentation from the sponsor that the project has been awarded/extended and the modification is forthcoming
 - The sponsor's documentation must be obtained from someone who is authorized to make such a commitment. Not all program officials are authorized to do so.

3. Approval Procedure

Upon receipt of the completed Request for Risk Account form, budget, and documentation, OSP can establish a risk account or authorize additional funds as specified in the approved request. A copy of the signed form and the original request will

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