

UAS GM 20: Grant & Fund Setup

Under the University of Alaska Financial Accounting System , the grant number is used to identify each new restricted award, and fund numbers are used to assign accounting activity and multiple budgets of a same award. All grant codes in the system begin with a “G”. Fund numbers are distinct to the region. All fund numbers for UAS campuses will begin with the number “28”. On occasion, grants with a fund “5” allocation may be used to track capital equipment or building awards.

I. Letter of Assumption of Financial Liability

If a PI or unit has been officially notified either by electronic mail or by letter of intent to award that an award is imminent, the unit may opt to assume financial liability for any expenditures made while the award document is en route and, as yet, unaccepted by UAS. The Grants & Contracts Office: Forms web page contains a template for the Letter of Assumption of Financial Liability. Assumption is limited to 90 days so that the risk to the unit and the university is kept within the 90-day period allowed prior to the actual award date. Under extenuating circumstances the GCO Director can be petitioned to add a second 90-day extension period.

The assumption set-up is similar to the post-award set-up except that the grant does not have any award amounts entered in the current, cumulative and maximum fields. Documentation for set-up is the Letter of Assumption with appropriate backup.

The budget revision for fund setup should have the liability amount entered in line 8003, Assumption Budget line. This format assists in the liability release since only one line item will be backed-out, but still provides funds against which start-up expenses can be incurred.

II. Under Accepted Award Documentation

When an award is received by UAS, the Budget and Grants Office will send a copy of the award documentation to the unit for the PI’s review of the agency’s terms and conditions. If acceptable, the Budget and Grants Office will officially accept the award on behalf of the University and begin the process of establishing the new grant.

III. State Reimbursable Service Agreement (RSA)

Reimbursable Service Agreements operate on the state fiscal year, which corresponds to the UA fiscal year, July 1 through June 30. RSAs funded with state operating dollars will end no later than June 30 of the budget year it was appropriated. For unexpended funds at the end of the fiscal year budget period, carryforward (carryover) is at the discretion of the agency. If you are underexpending and will need the funds in the next fiscal year, communications need to begin taking place in May or early June. Often state agencies require the Budget and Grant Office estimate the total dollars that will be expended by award. The agency is more likely to fund a carryforward if good communications have taken place, and a sound justification has been articulated.