

Research Services

Policy 09.004

Area: Flat Fee Residual Funds(Formerly Fixed Price Pool Funds)

Authority: Dean of Graduate School and Research

History: Placed into effect March 2009, revised October, 2011

Responsible Office: Office of Research Services

Background. Flat fee awards may be received by UNCW. University policy requires the appropriate budgeting and charging of all project costs, including effort. Once all obligations on a flat fee award have been met and allocable expenditures have been charged, including recovering budgeted F&A, any unspent funds (residual funds) shall be made available to the investigator(s), subject to the 15% limit in paragraph 5. Use of such revenue is subject to internal university control and must be consistent with the guidelines established for other state funds. Residual funds are transferred to a residual (FFR) fund for the investigator's use, consistent with the guidelines outlined below.

Purpose and Applicability. To establish procedures which:

- a. Describe the process for establishment and management of FFR funds
- b. Establish guidelines and policy for the uses of FFR funds
- c. Provide access to residual revenue from flat fee awards in such a way the funds are no longer subject to former sponsor's terms and conditions
- d. Document that FFR expenditures are subject to administrative guidance
- e. Describe circumstances permitting transfer of FFR funds upon departure of recipient

1. Creation and management of FFR funds

A flat fee award is considered complete when all sponsor requirements have been met (including all deliverables), all costs of the contract have been charged, and after full payment from the sponsor has been received. Budgeted F&A for the contract will be charged against unspent funds. After receipt of final payment from sponsor, OSP will expense all budgeted F&A, transfer rest of unspent balances to residual fund as detailed below.

2. Rules for use of FFR Funds

Funds transferred to a residual fund are restricted trust funds and must be used consistent with state guidelines for other state funds. Funds will remain in a FFR fund and the balance carried forward each year for continued use.

Salary or consulting payments to faculty from flat fee residual funds should be avoided so as to prevent the appearance of conflict of interest. The intent of these funds is to enhance future sponsored projects at the university.

3. Circumstances permitting transfer of control

Transfer of control of a FFR fund may occur whenever a FFR recipient retires, resigns, transfers, or ceases to maintain good standing with the university. In the event of such a change in employment status, the disposition of any balance in the FFR fund will immediately reside with the appropriate department chair.

4. F&A deductions are applied to initial FFR balances

Prior to transferring any residual project fund balance to a FFR fund, the remaining budgeted F & A balance will be charged to the grant fund. The resulting balance is the amount to be transferred to the FFR, subject to 15% limit in paragraph 5. Additional F&A will not be charged on funds transferred to, or spent from, the FFR fund.

5. Restrictions and Limitations

Residual balances on flat fee awards up to and including 15% of the total project costs will be transferred to a FFR departmental fund in the investigator's name.

Residual balances in excess of 15% will be transferred to a FFR fund managed by the Dean of the Graduate School and Research.

Contact: Director of Sponsored Programs, 910.962.3810, www.uncw.edu/policies