



7A-11 FIXED PRICE RESIDUAL FUNDS

Responsible Executive: Gary K. Ostrander, Vice President for Research
Approving Official: Gary K. Ostrander, Vice President for Research
Effective Date: August 1, 2018
Revision History: March 29, 1999; May 1, 1999; June 29, 2012; and August 1, 2014

I. INTRODUCTION

A fixed-price award is an agreement where sponsor payments are based on fixed amounts according to a payment schedule, stated deliverables and satisfactory performance.

A residual balance is the funds remaining in a fixed-price project after all expenditures have been incurred in completing the statement of work.

This document establishes a policy to ensure the appropriate use of the residual balance on fixed price agreements.

II. POLICY

Residual balances in a fixed-price project will be distributed in accordance with this policy when the following conditions are met:

- All expenditures incurred in completing the project, including salaries, and Facilities & Administration (F&A) costs have been charged to the project and paid.
- All technical and fiscal reports have been submitted and all deliverables have been completed and accepted by the sponsor.
- All payments from the sponsor have been received.
- A Request for Access to Residual Balance form has been completed. (Residual balances that exceed the lesser of 15% of the original award amount or \$25,000 require additional explanations as to how the excessive funds remain while still achieving the statement of work. Residual balances greater than 50% of the original award amount require OVPR approval.)

After all of the above conditions are satisfied, the residual balance will be distributed as follows:



- If the award was accepted with an F&A rate less than the federally negotiated rate agreement in effect at the time of the award, the residual balance will first apply towards recovering full F&A cost of actual expenditures. The Office of Research and PI will split the funds 50% each until full F&A costs have been recovered by the Office of Research. These funds will be placed in the SRAD distribution pool.
- Once the full F&A costs have been recovered by the Office of Research, or if the award was accepted at the federally negotiated rate agreement in effect at the time of the award, the remaining residual balance will be distributed 75% to the PI's Research Support account to use in furthering the research mission of the university and 25% to the Office of Research to support faculty research programs at the university.

Residuals less than \$500 will be transferred to the department's SRAD Allocation account if the PI does not have an existing PI Support account.

III. LEGAL SUPPORT, JUSTIFICATION, AND REVIEW OF THIS POLICY

Fla. Stat. 1004.22.

This policy will be reviewed when changes are necessary.

/s/ Gary K. Ostrander

[Proof of approval retained in file]