

## **Research Services and Sponsored Programs**

### **Policy 09.004**

Area:	Fixed Price Pool Funds
Authority:	Dean of Graduate School and Research
History:	Placed into effect March 2009
Responsible Office:	Office of Sponsored Programs

Background. Fixed price awards may be received by UNCW. University policy requires the appropriate budgeting and charging of all project costs, including time and effort. Once all obligations on a fixed price award have been met and allocable expenditures have been charged, including recovering budgeted F&A, any unspent funds (residual funds) are made available to the investigator(s). 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 fixed price pool (FPP) fund for the investigator's use, consistent with the guidelines outlined below.

Purpose and Applicability. To establish procedures which:

- a. Describe the creation and management of FPP funds
- b. Establish rules for the uses of FPP funds
- c. Provide access to residual revenue from fixed price contracts in such a way that use is not inhibited by the former sponsor's requirements
- d. Document further expenditure is subject to administrative guidance
- e. Describe circumstances permitting transfer of control of FPP funds

#### **1. Creation and management of FPP funds**

A fixed price contract 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 OSP receives a close-out certification from the investigator, the fixed price contract will be officially closed, F&A charged, and any unspent balance transferred to a residual fund as detailed below.

#### **2. Rules for use of FPP Funds**

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

Salary or consulting payments to faculty from fixed price pool 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 FPP fund may occur whenever a FPP custodian 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 FPP fund will immediately reside with the appropriate department chair.

### 4. F&A deductions are applied to initial FPP balances

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

### 5. Restrictions and Limitations

Residual balances on fixed price agreements up to and including 15% of the total project costs will be transferred to a FPP departmental fund in the investigator's name.

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

Contact: Director of Sponsored Programs, 910.962.3810, [www.uncw.edu/policies](http://www.uncw.edu/policies)