



Transfer of Residual Balances to Miscellaneous Accounts # 2350.100

INITIAL EFFECTIVE DATE: January 1, 2006	LAST REVISION DATE: March 31, 2021	RESPONSIBLE UNIVERSITY DIVISION/DEPARTMENT Office of Research and Economic Development/ Post-Award
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POLICY STATEMENT

Residual balances in a fixed-price project ID may be transferred to a miscellaneous account at the end of a sponsored project only under the following circumstances:

1. All payments from the sponsor have been received.
2. All technical and fiscal reports have been sent and accepted by the sponsor.
3. All expenditures to complete the project, including salaries, have been charged to the project ID and paid.
4. The University has recovered all F&A, based on the original rate of the project and based on the approved final expenditures.
5. All encumbrances have been cleared from the project ID.
6. All recurring charges authorized on the project ID for routine charges have been removed.
7. Full F&A (Indirect Cost) that FIU is entitled to under its federally negotiated rate agreement has been withheld from the remaining residual balance prior to the transfer to the miscellaneous account and is retained by the VP for Research.

The residual balance does not exceed the lesser of 25% of the original award amount or \$25,000. When the residual balance exceeds the lesser of 25% of the original award amount or \$25,000, transfers to miscellaneous accounts will be at the discretion of the Assistant Vice President for Research.

SCOPE

N/A

REASON FOR POLICY

The PI must estimate and negotiate, at proposal time, the cost of the scope of work on sponsored grants and contracts as close to the actual cost of performance as possible. Even with the best efforts in estimating cost, however, this is not always possible because of unanticipated circumstances.

This policy is to provide guidance and ensure the appropriateness of transfers of residual balances on sponsored project IDs to miscellaneous accounts.



DEFINITIONS	
TERM	DEFINITIONS
ORED	Office of Research and Economic Development
F&A	“Facilities and Administrative” charges on a sponsored project, also referred to as “indirect costs” or “overhead.”
Fixed-price project ID	A project ID based on an agreement with a sponsor that does not base payment upon reimbursement for FIU’s expenditures, but rather on fixed sums according to a payment schedule or for stated deliverables and satisfactory performance.
PI	Principal Investigator
Residual Balance	Un-obligated funds remaining in a fixed-price project ID upon the satisfactory termination of a sponsored project that do not require contractual return to the funding sponsor. All residual funds are considered to be owned by the University.

ROLES AND RESPONSIBILITIES
N/A

RELATED RESOURCES
N/A

CONTACTS
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HISTORY
Initial Effective Date: January 1, 2006; Office of Sponsored Research Administration Faculty/Staff Guide for the Administration of Externally Funded Projects, INTERIM VERSION
Review Dates (<i>review performed, no updates</i>): N/A
Revision Dates (<i>updates made to document</i>): December 11, 2006; January 26, 2011; March 8, 2018 and April 22, 2020; March 31, 2021



Use of Sponsored Research Funds # 2350.100a

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January 1, 2006	March 31, 2021	Office of Research and Economic Development/ Post-Award

PROCEDURE STATEMENT

At times, the Office of Research and Economic Development (ORED) may allocate funds to University faculty for the purpose of furthering research. Such funds may take various forms, including but not limited to, miscellaneous or residual funds, F&A, commitments, seed or bridge funding or faculty research incentive awards. Faculty to whom funding has been provided by ORED for research purposes should monitor the funds' use to ensure that funds do not remain unused for any two (2) year period. If O RED determines that funds have not been expended within any two (2) year period, ORED shall close the particular account and shall re-allocate the funds in that account back to ORED for further use as deemed appropriate by ORED to further research at FIU. ORED, annually will provide the faculty three months advance notice of the account closure and re-allocation of the funds. Faculty may request that ORED extend the time frame beyond two years for specific strategic purposes. The request will require a justification and will be reviewed for approval by ORED.

The foregoing only applies to funds which are allocated by ORED to University faculty and not to funds which are awarded by an external sponsor to FIU for a sponsored project. Such externally awarded funds are deposited in individual Project IDs for the particular projects and must be expended in accordance with the sponsor's award document and sponsor regulations.



Transfer of Residual Balances to Miscellaneous Accounts # 2350.100b

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January 1, 2006	March 31, 2021	Office of Research and Economic Development/ Post-Award

PROCEDURE STATEMENT

If the Principal Investigator wishes to have residual balances on a fixed price project ID transferred to a miscellaneous account, the PI shall submit to Post-Award a complete Request to Transfer Residual Balance Form within 120 days after termination of a fixed price sponsored project ID. One hundred twenty (120) days is the standard closeout time frame for final financial reporting. This form shall include a plan for the use of the residual balance and include the approval of the PI's Department Chair/Center Director, Dean or Vice President. However, these funds are expected to be used to promote and support research and research administration at the PI and Department/Center level. These funds are intended to be put to use on an ongoing basis and not to be stockpiled or banked. The promotion, growth and strengthening of research is dependent on the current and on-going spending of these funds. If these funds are dormant or are not spent in a prescribed manner, then they are subject to the following reclamation process in order to revitalize the research environment at the University.

If funds remain in excess of the lesser of 25% of the original award amount or \$25,000, the PI must explain on the form why the remaining funds were not used on the project; i.e., why the funds expended on the project were less than anticipated. The Assistant Vice President for Research will determine the disposition of said funds and Post-Award will advise the PI of that determination. Transfers will be made only to miscellaneous accounts and not to auxiliary or F&A return accounts. Residuals of \$100 or less do not need the approval of the AVP and can be approved by the Director of Post Award.

A minimum amount of \$1,000 is required for a transfer of remaining balances to a miscellaneous account to be established by ORED. ORED will not open a miscellaneous account for transfers below \$1,000. However, amounts below \$1,000 and above \$100 will, upon request from the PI, be transferred to the PI's existing miscellaneous account or to the PI's existing department miscellaneous account. If the remaining amount in the fixed project ID is \$100 or less, such amount will be retained by ORED for use in promoting additional research and training projects.

All effort should be made by PIs to report residual balances to Post-Award within 120 days after termination of a sponsored research project ID. Any residual balances not reported to Post-Award within such 120 day period may be retained by ORED.



The Office of Research and Economic Development will retain full F&A that FIU is entitled to under its federally negotiated rate agreement on any remaining balance transferred to a miscellaneous account.

On a case by case basis, the Vice President for Research may provide for alternate disposition of remaining balances in fixed price project IDs.

Any residual balance transferred to a miscellaneous account must be utilized by the PI within two years of the transfer date for purposes of promoting research.