

Boston College: OFFICE FOR SPONSORED PROGRAMS

Residual Balance on Sponsored Programs Procedures

Background

The Boston College Office for Sponsored Programs (OSP) provides administration and support for sponsored programs. Sponsored programs, or the term sponsored awards, may be used in this document interchangeably and mean any agreement, contract, project, or grant that is funded by a source other than Boston College. Activities related to sponsored programs must comply with Boston College policies and procedures, and Federal regulations including those from the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Purpose

This document establishes procedures for requesting the transfer of residual balance funds remaining on fixed price and fee-for-service agreements after satisfactory completion of the work and submission of all required deliverables to the sponsor.

Scope

This policy is applicable to all sponsored awards and **must** be followed by schools, departments, centers, institutes, and personnel of Boston College involved with sponsored awards

Effective Date

The effective date of this policy is September 2018, revised April 2022.

Definitions

Fee-for-Service Agreement is a sponsored agreement or contract in which the sponsor agrees to pay an upfront, predetermined price, for agreed upon services or individual tasks to be performed.

Fixed Price Agreement is a sponsored agreement or contract that is not subject to any adjustment on the basis of the cost experience in performing the agreement. This agreement type places upon the University maximum risk and full responsibility for all costs. It provides maximum incentive for the University to control costs and perform effectively. Fixed-

Residual Balance is the balance of funds when the agreement permits the University to retain the funds after the work is completed. These types of agreements may include the following activities: (1) service or product delivery in fixed payment increments, (2) deliverables or milestone completion. If the funding provided by the sponsor is not fully expended after all appropriate expenses have been accounted for, a residual balance will exist. Residual balances can occur on a grant, or contract (including clinical trial and service agreements).

For other definitions, see _____ and Glossary of Terms, Guidance.

Procedures

The purpose of this procedure is to establish a process that (1) provides access to residual funds remaining on sponsored awards that are fixed price or fee-for-service, (2) provides a consistent method for obtaining approval for the transfer of residual funds, and (3) ensures that the transfer of residual funds to a related sponsored account are not prohibited by any requirements provided by the original sponsor.

Fixed price contracts are based on an agreed upon budget amount (fixed price), and this amount is paid by the sponsor regardless of the actual costs of conducting the sponsored project. This

due date, the PI should immediately contact the Office for Sponsored Programs (OSP) to discuss next steps.

In order to initiate the Residual Balance Transfer process, department administrators must

sponsor). If the award documentation is unclear as to whether the award may be categorized into one of the three award classifications defined above, or the awarding document does not provide adequate instructions, then:

- OSP will request to retain the residual balance (for PI to further their research) from the sponsor accompanied by the final financial report, if appropriate. It will include a