ORP Policy 9

Policy on Fixed-Cost Award Balances and Cash Reserve Fund Balances

**Applicability:** Any cash surplus in excess of project-period expenses created as a result of a fixed-cost sponsored award or agency agreement activities.

**Policy:** Pursuant to Research Foundation Board Policy, where funds remain unexpended after completion of an account receiving fixed-cost payments; the funds remaining unexpended shall be transferred to an institutional account which shall be established in support of research and educational purposes, to be expended at the discretion of the campus Chief Administrative Officer (President). At SUNY ESF, this authority is delegated to the Provost, whom has the authority to further delegate allocation and use of these funds.

**Campus Implementation:** There are two distinct award classifications which fall under this policy: Sponsored Program awards and Agency agreements with college-affiliated foundations/associations. Due to the differing nature of these agreement types, cash balances are administered in the following ways:

**Fixed-Cost Sponsored Awards:** The base policy provides that all remaining budgeted F&A (Indirect) Costs will be recovered by the college and placed under the Provost’s authority via the campus Research Foundation financial plan. In addition, 40% of the Direct Cost balance will remain under the Provost’s (or delegate’s) authority. The remaining 60% of the Direct Cost balance will be allocated to the Project Director(s) or Program(s) generating the revenue. This allocation methodology may be altered on a case-by-case basis at the Provost’s (or delegate’s) discretion. Any funds allocated to a Project Director or Program under this policy may be utilized by the Provost to fund the write-off of bad debts or other sponsor-disallowed costs incurred by that Project Director or Program.

**Agency Agreements (college-affiliated foundations/associations):** The base policy provides that all remaining budgeted Agency (Administrative) Fees will be recovered by the college and placed under the Provost’s authority via the campus Research Foundation financial plan. These recovered fees will be separately accounted, and utilized to offset future Agency Fee expenditures for accounts established on behalf of that particular college-affiliated organization. In addition, any Direct Cost balance will remain separately accounted in a Cash Reserve Fund under the Provost’s (or delegate’s) authority, and will be utilized to offset future Direct Cost expenditures incurred by that particular college-affiliated organization. This methodology may be altered only by separate specific agreement between the college and the college-affiliated organization.

**Investment Revenue** earned by the Research Foundation of SUNY and allocated to the campus as a result of any positive cash balances relative to the above activities will revert to the campus Research Foundation financial plan, and placed under the Provost’s authority. This methodology may be altered on a case-by-case basis at the Provost’s discretion.

**RF Board Policy**

Where the funds remain unexpended after completion of a project supported by a fixed price contract and after the acceptance of the final technical report by the sponsoring agency, the funds remaining unexpended shall be transferred to an institutional account which shall be established in support of research and educational purposes, to be expended at the discretion of the Chief Administrative Officer on the campus where the funds originated.