

College of Health and Human Performance
Policy on Transfer and Maintenance of Residual Funds from Grants and Contracts
to Residual and Miscellaneous Donors Project (RMDP) Accounts

Note: These guidelines assume that faculty members who seek external funding for any project from any source will submit a detailed proposal to the Department Chair for approval prior to submitting a formal proposal to a funding source or accepting funds from a funding source.

Introduction

When a funding source permits residual funds, as in the case of fixed cost contracts, Principal Investigators (PI) may request that a portion of unspent funds from a grant or contract be transferred to a Residual and Miscellaneous Donors Project (RMDP) Account managed through the Division of Sponsored Research (DSR). University policy requires that all RMDP funds be used to support research.

Decisions about transferring funds to RMDP Accounts consider costs incurred by the Department or College in completing the work required by the grant or contract. Incidental costs associated with a project often are not charged to the award account, so these costs are calculated and reimbursed to the department appropriately.

Transfer of funds to a PI's RMDP account requires that a minimum of 25% IDC was included in the grant or contract. In such cases, the residual funds are typically allocated as follows: 80% to the PI's RMDP account and 20% to the department research account. An RMDP account balance shall not exceed \$25,000. However, with prior approval from the Department Chair, the RMDP account balance may exceed \$25,000 for specific purposes (e.g., equipment purchases).

Procedures to Request a Transfer

After a grant or contract officially closes, the PI submits a letter to the Department Chair requesting transfer of residual funds from the grant or contract. As stipulated by DSR, residual funds exceeding 25% of the original budget must be justified and approved by DSR before transferal to RMDP accounts.

The PI schedules a meeting with the Department Chair and compiles the following information prior to the meeting: (1) balance of funds remaining after the project closes, (2) methods used to complete activities specified in the grant or contract, (3) specific project costs covered by the grant or contract, and (4) department expenses related to completing the project not reimbursed by the grant or contract.

If the PI and Department Chair reach a tentative agreement regarding the amount of residual funds to transfer to the PI's RMDP account and to the Department research account, the Department Chair submits the tentative agreement to the Associate Dean for Research for review, endorsement, and submission to DSR.

If the PI and Department Chair do not reach an agreement, the Associate Dean for Research serves as Arbitrator between the PI and Department Chair. If arbitration produces an agreement, the Associate Dean for Research forwards the agreement to DSR.

If arbitration does not produce an agreement, the Associate Dean for Research recommends potential settlement options to the Dean. The Dean makes a decision concerning an agreement, and the Associate Dean for Research informs the PI and Department Chair.

Annual Review of RMDP Accounts

Departments Chairs review RMDP accounts in March of each calendar, or at other times as appropriate. Accounts with the largest balances are reviewed first. The Department Chair schedules a meeting with the PI to conduct the review. The PI compiles the following information prior to the meeting: (1) sources and amounts of funds from individual projects transferred into the account since the account was created, (2) record of disbursements from the account since the account was created, (3) intended uses for funds currently in the account, and (4) a projected timeline for expending the funds.

After reviewing all department RMDP accounts, the Department Chair reports results of the reviews to the Dean.

DSR Policy on Residual and Miscellaneous Donors Projects

The University of Florida has authorized the Division of Sponsored Research to accept miscellaneous donor funds on behalf of faculty for research, training, and other specific purposes. These funds are distinguished from "sponsored research" support by the following characteristics: no proprietary or contractual relationship exists between the donor and the recipient; no final product is expected; and no technical or fiscal reports need to be submitted to the sponsor. These are cash-based projects established in Fund 212 and do not require re-budgeting. In addition, residual balances resulting from fixed price agreements are transferred to these projects and may be used to support the PI's research program.

Approved by CHHP College Council: March 25, 2008