

**Board of Trustees
University Affairs Committee**

Residual Funds on Fixed Price Awards

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Vice Chancellor for Research and Economic Development
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North Carolina Agricultural and Technical State University

www.ncat.edu



North Carolina Agricultural and Technical State University

Policy on Residual Funds on Fixed Price Awards

- This policy provides guidelines to principal investigators and project directors for the establishment of residual accounts and expenditure of residual funds resulting from fixed-price contracts

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Purpose:

- Residual accounts may be established for the expenditure of residual funds resulting from fixed price awards that are not in support of University established service centers



OVERVIEW:

- The residual amount will be divided with 50% transferred to the PI and 50% transferred to the Vice Chancellor for Research and Economic Development
- Any funds remaining on a fixed-price contract must be expended within 18 months after the residual account has been established
- The expenditure of funds from the established trust fund account is restricted to non-personnel costs within state guidelines. The purchase of office furniture, carpet, draperies, and office adornments is prohibited.



Residual Funds – Fixed Price Contracts

Approval Process

- **Distributed to Deans for review**
- **Posted to Legal Affairs' website for faculty + staff comment**
- **Approved by Chancellor and Cabinet**
- **Next Step: Notification to BOT**



QUESTIONS