



Downstate Health Sciences University
Office of Research Administration

The Research Foundation for SUNY

Policy and Procedure

Subject: Fixed Price Residual Balances (excluding Programs, Centers, and Institutes)

Revised: July 2025

Effective Date: May 2023

Issued By: The Office of Research Administration (ORA)

Responsible parties:

- Department Administrators
- Sponsored Programs Finance (SPF) FAs – Financial Analysts
- GM's- Grant managers
- PI- Principal Investigator
- Department Chairs
- RP – Research Pharmacy
- Hospital & UPB services
- Office of Human and Research Protection (IRB)
- RFCO- Research Foundation Central Office

Background

All funding requires an award to be established in our financial system of record. Funding must be accompanied by a Notice of Award (NOA), an inbound Subcontract, an award letter, a contract, or a letter (typically in the instances of a gift). Each award is a separate funding source, and awards will be set up separately so that funds are not comingled with other funds.

Most of our awards are cost reimbursable, meaning that the project is funded and spent in accordance with the time and effort associated with the project. There are no set deliverables, but rather goals or 'aims' of the project. Other awards are fixed price, whereby we are paid to meet specific deliverables, and a fixed price is associated with these deliverables. The sponsor often establishes the actual cost, and in some instances, the prices are negotiable.

This policy is PI-specific and doesn't apply to programs, centers, and institutes. There is a separate residual policy for these.

General Responsibilities

The RF is responsible for ensuring that all project-related bills are paid and expenses are accounted for before any cash movement due to residual balances on fixed-price awards. This includes payroll (State and RF), pharmacy costs, hospital costs, and UPB costs.

All campus departments are responsible for billing promptly and ensuring monies are received in accordance with their billing procedures. PIs using campus services should be providing the hospital and UPB with accurate information so that they are able to associate a service with a particular study/participant.

Residual balance definition

“Residual balance” is defined as the remaining funds at the completion of a study AFTER all outstanding bills and ORA financial obligations are completely settled. For example, suppose during the study an ORA-assigned coordinator was used. In that case, all coordinator personnel costs (based on the coordinator effort established at the beginning of the study), regardless of whether enrollment has occurred, and any additional ORA support, such as recruitment, regulatory, TriNetX, etc., must be reimbursed to ORA. After all outstanding bills and ORA financial obligations are covered, the remaining money is the “residual balance”.

Residual balance disbursement

If there is a residual balance, the PI and/or department personnel are responsible for completing a [Residual Balance Certification form](#) and obtaining the signatures of the other responsible parties. These signatures are required to ensure that all invoices have been paid, including confirmation that the study is closed per the IRB. If no applicable services were provided, the signatory should indicate ‘N/A’ and sign the form where indicated.

Before dispersing a residual balance, F&A costs will be deducted from the account (at the rate assessed at award activation or 14.9%, whichever is greater).

The allocation for dispersing a residual balance, after F&A costs are deducted, is as follows:

- 1) Balances equal to or less than \$1,001.00
 - a. PI retains 90%
 - b. Department Chair retains 5%
 - c. ORA retains 5%
- 2) For balances greater than \$1,001.00
 - a. PI retains 75%
 - b. Department Chair retains 10%
 - c. ORA retains 15%



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Once all parties have signed the form, the PI and/or department personnel must submit the form to Sponsored Programs Finance (SPF). SPF, working with RFCO, will move the allocation as described above.

A new balance account will be established for the PI, and the sponsored award will be closed.

Spending on balance accounts

RF policy must be adhered to for spending on these awards. The funds must be used to support research activities and the same disallowances following RF policy still apply.

Related forms

[Residual Balance Certification form](#)