

**THE MEDICAL COLLEGE OF GEORGIA
ADMINISTRATIVE POLICIES AND PROCEDURES**

Office of Primary Responsibility
Division of Sponsored Program Administration

Subject:
Utilization of Residual Funds in Sponsored Grant and Contract
Accounts

1.0 Purpose

To provide institutional guidance for the timely and appropriate utilization of residual balances of sponsored grant/contract accounts.

2.0 Definitions

- 2.1 A sponsored account is defined as an account established for the receipt and expensing of funds from a source external to the institution for project-specific purposes.
- 2.2 A residual balance is defined as an unobligated balance of funds remaining in a sponsored account at termination of the project and closeout of the account.
- 2.3 An unrestricted residual balance is defined as a residual that is not required to be returned to the external funding source.
- 2.4 A residual account is an account established for the purpose of receiving the transfer of an unrestricted residual balance at the closeout of a sponsored account.

3.0 Policy

An unrestricted residual balance in a sponsored project account may be transferred to a residual account at the closeout of the sponsored account. If a full or partial waiver of Facilities and Administrative (F&A) Costs has been applied to the sponsored account, the waived F&A will be earned on behalf of the Medical College of Georgia and the Medical College of Georgia Research Institute prior to transfer of the unrestricted residual balance to a residual account. Principal investigators/project directors of sponsored grant and/or contract accounts are required to submit an action plan for use of unrestricted residual balances through the appropriate department chair/center or institute director, dean or vice president. Multiple sponsored accounts may be closed to a single residual account or to separate residual accounts. Each residual account will be established for a period not to exceed 24 months. Amendments to the action plan or requests for extensions to the time period require approval by the appropriate department chair or center/institute director and dean or vice president.

Unrestricted residual balances will lapse to the appropriate dean or vice president if an approved action plan for their utilization is not received in the Division of Sponsored Program Administration within 90 days after the end date of the sponsored account. Additionally, except in exceptional circumstances and with strong justification and prior approval, any residual account funds remaining at the end of the 24-month period will revert to the appropriate dean or vice president.

4.0 Procedure

- 4.1 At closeout, the relevant sponsored accountant in the Division of Sponsored Program Administration will generate a Utilization of Residual Funds form for each sponsored account that expires with an unrestricted balance of \$100 or more. The Utilization of Residual Funds form will be forwarded to the appropriate department manager and principal investigator/project director. Balances less than \$100 will be transferred to the relevant dean's residual account.
- 4.2 The principal investigator/project director will review the form and certify that all fiscal and programmatic obligations to the project and to the sponsor have been met. The principal investigator/project director will develop an action plan for use of the residual funds. The principal investigator/project director will complete an Intramural Routing Sheet and submit the Intramural Routing Sheet with the completed Utilization of Residual Funds form and action plan to the department chair or

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center/institute director, then to the appropriate dean/vice president for review.

- 4.3 The dean or vice president will forward the approved Utilization of Residual Funds form, action plan, and the Intramural Routing Sheet to the appropriate pre-award officer in the Division of Sponsored Program Administration. The dean/vice president may approve full or partial balance transfer, with the remaining balance to be transferred to the dean's/vice president's residual balance account.
- 4.4 The Division of Sponsored Program Administration will review the documents to verify approval by compliance committees as appropriate, will establish a residual account, and will transfer the unrestricted residual balance from the closed sponsored account to the residual account in the "Other" budget category. The Division of Sponsored Program Administration will notify the principal investigator/project director, departmental manager, chair/director, and dean/vice president that the residual account has been established.

Attachments:

[Utilization of Residual Funds in Sponsored Grants and Contracts Accounts Checklist and Routing Sheet for Intramural Grant Proposals](#)