


## POLICY ON FIXED PRICE CONTRACTS

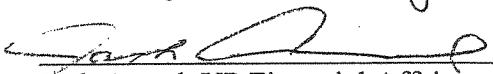
April 5, 2005


**Definition:** A fixed price award is one in which a specific, fixed amount is paid to the awardee by a sponsor to perform a specific scope of work, regardless of the amount of effort and resources expended by the awardee in performing the work.

**Residual Funds:** Residual funds remaining after the project end date will be available to the PI, after completion of all project requirements and receipt of all funds due, for ONE YEAR after the end date. Funds remaining after one year of the end date will be swept into the general fund of the university. If the residual funds are in excess of 20% of the original award amount the PI must provide an explanation to the Vice Provost for Research.

**Back Charges:** During the one year period after the project ends, back charges, if any, will be made against the residual funds.

  
T. Dwayne McCay, Provost

  
Jack Armul, VP Financial Affairs

  
Robert L. Sullivan, Vice Provost for Research