
FIXED PRICE AGREEMENTS

Scope: All campuses served by Louisiana State University (LSU) Office of Accounting Services, except those campuses which have in place a written policy with regard to fixed price agreements.

Effective: July 1, 2007. This FASOP supersedes and replaces all prior versions.

Purpose: To set forth procedures for the disposition of unexpended balances in the accounts of expired fixed price agreements and to provide the Principal Investigator (PI) with maximum flexibility to use the remaining funds to support the original area of the award (e.g., research, instruction, public service), while establishing a liquidation schedule for these accounts.

Procedures:

A. Minimum Balance

Any account that has an unexpended balance of less than \$100 will be closed 90 days after the expiration date with the balance absorbed into the current fund and distributed as Facilities and Administrative (F&A) costs.

B. Facilities and Administrative Costs

Ninety days after the expiration date the remaining funds budgeted for F&A costs shall be recovered by the University. After this is accomplished, remaining funds are available to be expended by the PI.

C. Grace Period

The PI has a period of thirty-six months following the expiration date to use these funds, with the following exception: PIs at the School of Veterinary Medicine will have a period of six months following expiration date to use these funds.

D. Absent Principal Investigator

For an expired fixed price agreement for which the PI is no longer affiliated with the University (or for which the PI is unavailable to monitor the agreement), the unit head will be responsible for the disbursement of any unobligated funds. The unit head is also responsible for notifying the Sponsored Program Accounting (SPA) division of Accounting Services of such a change in PI.

E. Reversion

Funds remaining at the end of the grace period will revert to the Vice Chancellor of Research and Economic Development with the following exception: funds remaining in School of Veterinary Medicine projects will revert to the Dean of the School. These funds will be used as matching funds to sponsored agreements and to encourage research.