

Closeout of Industry Clinical Trials and Other Fixed-Price Sponsored Contracts

Intended Audience

This communication is will be distributed via the PeopleSoft list serve and is intended for all Department Managers, Financial Managers, RSAs, and Post-Award Administrators who work with industry-sponsored fixed-price contracts and clinical trials.

Background

Effective October 1, 2006, the campus updated policy 400-14 governing budgeting and financial management for industry-sponsored agreements and private fixed-price contracts. One change is the new requirement to close industry-sponsored agreements by transferring all surplus balances to a department discretionary fund within six months after the fund end date.

Impact

Upon closure of an industry-sponsored fixed price project fund, this policy requires department administrative staff to transfer the residual balance to a discretionary account that the PI, department, or unit has designated to record and receive residual funds. This transfer should occur after all project costs including F&A have been recovered. Remaining funds that have been transferred to a discretionary fund are available for department or PI use.

Action Requested

Within 6 months of the end of an industry clinical trial, departments should use cost transfer journal 547 to transfer the surplus balance to a discretionary fund using NCA 437692 (XFR CLIN TRIAL/FIX PRICE UNEXP).

Departments may use the Private, Opportunity Funds Status Report in Weblinks to monitor and manage industry clinical trial and fixed price contracts' residual balances (surplus). For example, to monitor clinical trials, administrators should select Clinical Trials under UCOP Fund Group in the report. Under Months Expiring, Administrators may select their choice of expired funds or funds expiring within 1, 2 or 3 months.

EMF Support and Monitoring

EMF will send a closeout letter to departments approximately 4-6 weeks *after* project end dates. The letter will remind staff to capture costs including salary and benefits, generate any needed contract amendments, and transfer residual balances.

Funds in excess of 6 months of their expiration date will be deemed out of compliance with policy 400-14. EMF's Compliance Unit will send to control points a quarterly report listing all out-of-compliance industry-sponsored agreements and private fixed price contracts. At fiscal close, control points will move all remaining out-of-compliance funds to control point or department discretionary funds designated for clinical trial residual balances.

Who to Contact

If you have any questions about this issue, please contact Wendy Hom at 476-8688 or wendy.hom@ucsf.edu.

References

<http://policies.ucsf.edu/400/40014.htm>

http://acctg.ucsf.edu/extramural_funds/rac/Post-Award_RSA_Quarterly_122106.ppt