

	HARTFORD HEALTHCARE POLICY Research Residual Accounts	
Issuing Department: Research Administration	Original Date: February 22, 2006 Latest Revision Date: October 8, 2015 July 11, 2016 July 14, 2017 August 1, 2019	Approved By:  Elizabeth Roper, MHS Director of Research

Purpose:

To ensure the proper use and accounting of residual balances from sponsored research projects administered by Hartford Healthcare in accordance with regulatory and institutional requirements.

Scope:

All residual balances associated with sponsored research project agreements.

Definitions:

Fixed Price Contract - a legal agreement in which specific services with defined deliverables are performed for a pre-determined compensation amount. The amount of the fixed price contract is generally based on an estimate of the anticipated project cost.

Industry Sponsored Clinical Trial Contract - the terms whereby an Investigator conducts a clinical study for a fixed budget until the project is completed or terminated.

Investigator - the project director or principal investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research.

Residual Balance – the unobligated cash that remains at the end of a research project after all deliverables and financial obligations have been met and final payment has been received from the sponsor.

Sponsor – an entity, such as a pharmaceutical or device company, private organization, academic institution, or government agency that initiates, manages, or finances a research project at Hartford Healthcare.

Policy:

Residual balances from sponsored research projects (e.g. fixed price contracts and industry sponsored clinical trials which the sponsor does not require the return of funds) will be retained and used for Hartford Healthcare research purposes only. Each investigator will be provided a residual account to consolidate and receive the transfer of non –restricted residual balances at the close-out of a sponsored research project. Research account balances carry over each fiscal year

In the event that an Investigator resigns, retires, or is separated or no longer affiliated with Hartford Healthcare and for any other reason, the balance or deficit remaining in the residual account will be addressed by Research Administration.

Residual balances resulting from a restricted funding source, e.g. institutional (including HH endowment funds), federal, state or foundation, must not be retained and must be returned to the sponsor unless otherwise specifically noted in the agreement.

Responsibilities:

Investigator

Manage research residual accounts in accordance with Hartford Healthcare policies and procedures.

Research Administration – Grants and Contracts

Review project budgets, expense, and financial reporting regarding residual balances for compliance with sponsor terms and conditions.

Corporate Accounting

Provide financial activity support to Investigators and to Grants and Contracts regarding research residual accounts.

Close account upon receipt of Hartford Healthcare Research Administration Financial Project Closeout Form.

Procedures:

Residual Balance Transfer

1. Grants and Contracts will coordinate with Content Management to create a "residual account" for each investigator who has externally sponsored research studies.
2. Upon completion of the research project, the Investigator must complete a Hartford Healthcare Research Administration Financial Closeout Form to request that the account be closed and certify the following information:
 - a) All income has been received for the study,
 - b) All project work is complete,
 - c) All reports and other deliverables, if applicable, have been provided to the sponsor, and
 - d) All expenses have been properly charged to the study.
3. When completing the Hartford Healthcare Research Administration Financial Closeout Form, Investigators will be required to explain and justify residual balances greater than 20% of the contracted project amount. Grants and Contracts will confirm that all financial activities have been recorded to the project. All transfers to true up expenses, salaries and all other costs must be made in accordance with the Research Transfer Policy.
4. Grants and contracts will approve and forward the Hartford Healthcare Research Administration Financial Closeout Form to Corporate Accounting to close the research project account and transfer any remaining balance into the appropriate residual account. Other sources of funds that may be transferred into a residual account include the following:
 - a) Funds received as a onetime payment for investigator study oversight or a per patient fee for oversight of study activities.
Funds received as a fee for the investigator or research staff's conduct of a study specific procedure.

Funds that cannot be transferred to a residual account include the following:

- a) Funds included as a project budget line item as staff salary. These funds must be allocated to the individual's home department account to offset their salary.

- b) Transfers of residual balances into a restricted or non-research account are also prohibited.
- c) Facilities and Administrative (F&A) costs are generally recovered for externally sponsored research projects when the sponsor payment is received. Corporate Accounting will allocate (F&A) costs to the appropriate F&A accounts at the time of transfer and or project close out using the overhead rate established for the particular study. (See Research Overhead Policy)
- d) Before residual balances are transferred into a residual account, corporate accounting with the approval of Research Administration, may utilize the remaining funds to cover any deficits on research studies for which the investigator is responsible.

Residual Balance Use

1. Residual balances are institutional funds and must be utilized to support Hartford Healthcare's research mission, in accordance with institutional policies. Residual account funds are not to be used for non-research related expense.
 - a) Residual accounts may be used for travel, capital equipment, supplies, and miscellaneous research expenses. E.g., research conference attendance, manuscript preparation or publication, journal subscriptions, books, research project supplies or expenses.
 - b) All Requests to supplement or cover personnel salaries and wages with residual accounts must be submitted to Grants and Contracts for review and require approval by Research Administration. Bonus compensation from a residual account is strictly prohibited.
 - c) All requests to charge travel, capital equipment, or entertainment to a residual account must be preapproved by Research Administration.

Travel and Disbursement

1. All transfers and disbursements from residual accounts must be approved by the Investigator/study owner. Requests must be reviewed by Grants and Contracts for compliance with Hartford Healthcare polices prior to processing by Corporate Accounting.
2. Requests by non-employees require approval of Research Administration.
3. Requests of \$25,000.00 or greater require additional approvals in accordance with Finance Fund, Establishment, Maintenance and Disbursement Policy.
4. Investigators will monitor monthly research financial statement and will investigate and reconcile residual accounts in deficits. Requests for transfers or disbursements from residual accounts in deficits will not be processed.
5. Corporate Accounting will process all transfer and disbursement requests subsequent to applicable approvals.

Attachments:

- A. Hartford Healthcare Research Administration Financial Project Closeout Form.

Related Policies:

Sponsored Research Grant closeout Policy

Sponsored Research cost transfer Policy

Research Study Management Policy

Research Overhead Policy

Finance – Funds, Establishment, Maintenance and Disbursement Policy

