



Section 500: Award Management

OSR Policy 500.21 — Carryover

Responsible Officer: Director
Responsible Unit: Award Management
Effective date: July 1, 2008
Last revised on: November 4, 2008

Policy Statement

Sponsored research funds are subject to numerous variables that can affect financial reporting accuracy and subsequently, full recovery of research expenditure costs. It is essential for Principal Investigators (PIs) and Departmental Administrators (DAs) to carefully consider these variables when determining financial expenditures and discuss inquiries about them with the Office of Sponsored Research ([OSR](#)).

I. Carryover

The concept of carryover is often misunderstood. Carryover funds are not automatically, as is sometimes falsely assumed, added to the total amount budgeted for the subsequent year. Thus, it is imperative that PIs and DAs familiarize themselves with the nuances of the carryover process to accurately monitor and report expenditures and collect reimbursement for F&A costs.

A formal request to carryover of unspent funds from one funding period to the next must be made and require approval of the sponsor and proper processing in OSR. Requests for carryover must also be made for awards under the Federal Demonstration Partnership (FDP). Because carryover is specific to each awarding agency and is addressed in the award terms and conditions, inquiries regarding carryover must be made to the appropriate Award Manager in OSR.

II. Applying Split F&A Rates

When there is a change in the federally-negotiated F&A rates, OSR implements a timeline for bridging from old F&A rates to current F&A rates depending on the official start date of a given award. When working with award expenditures, this timeline serves as the foremost guide in determining the applicable F&A rate. This also applies when planning new proposal budgets.

III. Fringe Benefit Rates

[Fringe Benefit rates](#) are reviewed and adjusted annually. It is important that DAs remain abreast of [annual rate adjustments](#) applicable to awards under their administration.



Reason for Policy

Careful consideration of reporting variables combined with scrupulous accounting practices is necessary to safeguard the University's integrity and provide maximum recovery of F&A (Facilities and Administrative) costs.

Exclusions/Exceptions

NIH may apply split F&A rates differently from the method outlined in this policy.

Procedures and Related Policies

Additional roles and responsibilities in award management are addressed in these policies:

- [OSR Policy 600.2](#) [OSR Reporting Responsibilities](#)
- [OSR Policy 300.9](#) [Facilities and Administrative \(F&A\) Costs](#)

OSR Research Tool Kits

None.

Contacts

Questions and concerns can be submitted online at [Ask OSR](#) or by using the [OSR staff directory](#). Within [RAMSeS](#), the “*Speak to Someone*” option assists in locating the staff member best suited to address project-specific issues.

References



[Research Administration Glossary at Carolina](#)

1. OMB Circular A-110, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*, Section C, Reports and Records.
2. New F&A Rates Budgeting Guidance for On-Campus Sponsored Research, Memo from the Associate Vice Chancellor for Research, September 25, 2007.



Revision History

Prior Revisions: The policies in the *Office of Sponsored Research Policies & Procedures Manual* supersede any OSR policies, procedures and appendices previously included in the *University Business Manual*, a publication of UNC Chapel Hill's [Division of Finance](#).

