

**Policy on the Management
of
Small Fixed Price Contract Accounts**

Grants and contracts (also called sponsored projects/programs) are awards made to the campus by a sponsor (also called funder/funding source/agency) such as a public agency, private company or private foundation. The management of sponsored projects/programs falls under the CSU Chancellor's Office Executive Order 890 and the resulting campus implementing policy, EM 07-13. As stated therein, unless individual exceptions are made, all campus proposals for grants and contracts must be submitted through Chico State Enterprises (CSE) and all resulting awards managed through the same office.

On a case-by-case basis, CSE may make exceptions to managing sponsored projects/programs in individual project accounts. Small Fixed Price Contract Accounts may be established in the 58000 account series that allow **fixed price agreements** to be managed within such accounts. CSE approval for a 58000 account may be requested by submitting an Account Request Form to the CSE Director. The upper limit on a 58000 account is generally \$10,000, but may, under certain circumstances, be increased **with the approval of the Vice Provost for Research or the CEO of Chico State Enterprises**. These accounts will carry an indirect fee of 24% calculated on income

In all cases, for services performed under the agreements operating from the 58000 account series, **CSE strongly recommends that a purchase order, written agreement or signed letter** spelling out the basic services to be performed, time period, dollar amount, and terms of payment be obtained from the sponsor prior to beginning work or obligating any expenditures. CSE has agreement templates available for use. Any unrecovered funds from work managed through a 58000 account are the responsibility of the home administrative unit for that account.

Work involving animals or human subjects may not be managed in a 58000 account.

When a 58000 account is closed, any surplus or unexpended funds remaining will be shared equally (50/50) between the project director and CSE's Professional Development account. The Project Director's share of the surplus funds will be transferred to the appropriate CSE Board Designated account.

Any variation in the distribution of surplus funds, from the policy stated above, must be submitted in writing to the Chico State Enterprises CEO for approval. Project Directors are responsible for retaining all programmatic data and interim and final reports for work performed through these accounts for three years after the expiration date of the contract.

See the CSE Web site ([Policies Section](#)) for EM 07-13 and other policies governing the management of grants and contracts and/or sponsored projects/programs.