

503-011-A: Project Closeout Procedure

This procedure implements CSU systemwide policy for Sponsored Programs Administration: [Sponsored Programs Project Closeout](#) (ICSUAM #11003.11).

Summary

The University Corporation (Corporation) and Sponsored Programs Office (SPO) have an obligation to close all sponsored projects and to submit any final technical and financial reports in a manner consistent with the terms and conditions of the award. Closing procedures may vary, depending on the policies of the sponsor, whether the support was in the form of a grant, cooperative agreement or contract.

Since sponsors do not send expiration letters, it is the responsibility of the PI to check the award document for all pertinent details about closeout procedures and dates. The closeout of a project is the process by which the sponsor determines that all applicable administrative actions and all scientific work on the award have been completed.

The requirement to retain records is not affected by closeout, nor is the sponsor's right to audit records. In addition, the institution's responsibility to be accountable for property, royalties and program income is not affected by closeout.

The Corporation's grant close-out process reconciles grant balances and documents that all applicable administrative actions including financial reporting requirements, performance, and other reports required by the sponsoring entity have been met. Preparation for project closeout generally begins three months prior to the end date of the grant to accurately forecast expenses and any adjusting entries that need to be made. It is also the benchmark where many Principal Investigators (PI) determine whether a no-cost extension is warranted.

The sponsor's closeout requirements will also apply to all subaward organizations. Subrecipients must submit their final invoices, progress reports or other deliverables in no later than 60 days after the end date for the PI and University Corporation to meet the sponsor's deadline.

Process

A. Principal Investigator Notification

Within 90 Days prior to the sponsored project scheduled end date, Post-Award Admin should contact the PI to discuss any outstanding project matters and to determine whether a no-cost extension or supplemental funding will be requested. If a no-cost extension is needed, the Post-Award Admin will contact SPO to facilitate the process within the time required by the sponsor. If SPO is already working with the PI on a no-cost extension, SPO will inform Post-Award Admin.

B. Award Closeout

Deliverables required at the end of a project (for more details, see [Typical Report Guidelines](#), below)

The Closeout Checklist is used to document the project closeout process. Deliverables due at a project's end date, or other date specified in the sponsored agreement, vary by sponsor, but if applicable, may include the timely submission of:

1. A final financial report
2. A final invoice or a request for a final draw (for most federal sponsors)
3. A final technical/scientific/progress report
4. An invention/patent report
5. A property/equipment inventory report
6. Program income report

7. A cost-share report, or validation of any cost-sharing on the main financial report
8. Other non-financial reports (e.g., assignment and release forms)

Final payment on an award may be contingent on the receipt of non-financial reports. Most sponsors require final documents be submitted within 90 days of the award end date. If reporting requirements for an award occur on a timeline of less than 90 days, the Closeout Procedure shall take place over a shorter period of time as required to meet the sponsor's deadline.

C. Residual Cash Balance or Over-Expenditures

If total payments exceed the amount of total reimbursement claimed, Post-Award Admin will determine from the terms of the award the proper disposition of the unexpended cash balance. If the award notice does not provide adequate information regarding retention of the remaining funds, SPO and/or University Development will work with Post-Award Admin regarding sponsor's position for disposition of remaining funds. The Post Award Accountant will process a journal entry to dispose of the balance by transferring to a designated unrestricted ledger account. Should the unexpended cash balance revert to the sponsor, the Post Award Accountant is responsible for initiating the repayment of the balance.

In the case of a fixed-price agreement the remaining balance will be allocated utilizing the following formula: 80% to the Dean of the College, division AVP or VP as appropriate and 20% to general University Corporation support. During the grant or contract period, all expenditures necessary to complete the contract must be charged against the grant fund.

In the event of an over-expenditure, the overdraft amount will be transferred to an identified overdraft account or the incentive funds of the PI or other party, in compliance with SP Administration Policy (502-000-A), Section IV.F.

D. Project Inactivation

Once the final invoice and report(s) have been submitted to the sponsor (and final payment is received and posted), the file is transferred to the Post Award Accountant to reconcile and determine the destruction date to be included on the Closeout Checklist. The file is then transferred to the Post Award Manager to deactivate the fund. Once the account is deactivated, the Post Award Manager will notify SPO with the final date for destruction.

Roles & Responsibilities

PI: It is the responsibility of the PI, to review the final financial report and any necessary compliance reports prior to submission of final reports to the sponsor. The PI is responsible for retaining program records, including any progress and final technical reports submitted to the sponsor in compliance with the Corporation's record retention policy. The following reports are the responsibility of the PI (working with SPO and Post-Award Admin) when required by the sponsor:

1. Final Technical Report
2. Other reports or deliverables requirement by the sponsoring agreement

Dean (or other administrator): The Dean, or designee is responsible to ensure the final technical reports are submitted timely. SPO notifies PI, Chairs and Deans of overdue deliverables via electronic Quali system on a regular basis.

Corporation, Post-Award Admin: Post-Award Admin is responsible for managing the project closeout process, utilizing the Closeout Checklist, Post-Award Admin will:

1. Work with PIs and administrators to review and interpret the information on financial reports, anticipate and avoid any over-expenditures, and troubleshoot and resolve problems as soon as possible.
2. Verify costs for Final Financial Report (FFR) and final invoice

3. Review for unallowable expenses
4. Review cost share report, if cost share was required
5. Ad-hoc deficit clear at award level
6. Equipment/Inventory Report
7. Submit FFR and final invoice to sponsor
8. Inactivate fund when there are no more pending transactions

SPO: SPO notifies PI, Chairs and Deans of overdue deliverables via electronic Quali system on a regular basis. SPO will work with the PI on the Invention Report requirement, if necessary and the administration of any intellectual property in compliance with the sponsoring agreement and/or federal regulations.

References

For definitions of key words in this procedure, refer to the CSU systemwide [Sponsored Programs Definitions Policy](#) (ICSUAM #11001.01).

Uniform Guidance ([2 CFR 200](#)) – [§200.343 Closeout](#)

Guidelines

Reports Typically Required for Project Closeout

Overview

When a sponsored project ends, certain administrative actions may be required to ensure an orderly closing of the award. Specific report and deliverable requirements are typically stated in the sponsor's award documents or in a policy brochure or manual. The award documents will identify the specific reporting requirements and should be reviewed by the PI and SPO at the time the award is funded by the sponsor.

It is important to complete all the requirements and it is important to do so in the timeframe stipulated by the sponsor. Non-compliance in this regard can lead to debarment of the PI from receiving subsequent awards from the sponsor. Ultimately, it can even lead to the debarment of the University Corporation from receiving awards from the sponsor because the University Corporation is held responsible for all required closeout documents.

Final Technical Report

Most awards require submission of a final report of work accomplished during the period of performance. Such reports range from a brief summary and list of publications to a complete, exhaustive compilation of the project and its results.

The PI is responsible for the submission of technical reports required under the terms of an award, as well as other agreed upon deliverables. A copy of the technical report and/or transmittal letter is forwarded to SPO and will be kept for the required number of years after the end of the award period (generally three years in accordance with Corporation policy, but may vary by sponsor, as identified in the award document).

Failure on the part of the PI to deliver any required technical reports or deliverables to the sponsor in a timely manner may affect the collection of funds for the project and future funding from that sponsor to the CO.

Final Report of Patent and Inventions

Some sponsors require reports about patents and inventions made during the conduct of a sponsored project. Usually such declarations are made via a preprinted form or electronically, annually and/or at the end of the project period, and may be required, even if the report is negative. A final report of patents and inventions may require the signatures of both the PI and the SP Director or designee. Prior to closeout of the project, all subrecipients must file the required reports before the PI and/or other authorized institutional official can sign off on the final reports.

Final Inventory of Equipment

The sponsor's policies on title to equipment and the submission of final equipment reports must be followed when closing out an award. Many sponsors request an equipment inventory report whether or not title to such property is retained by the Corporation.

Post-Award Admin is responsible for completing the final inventory of equipment report. The PI will review and approve the report and assist in resolving any issues that arise regarding equipment or property.

Final Financial Report

The expiration of an award usually requires the submission of a final financial status report. SPO is responsible for submitting any financial reports required to close out the award.

It is advisable that the Principal Investigator monitors project obligations closely throughout the project period, to make sure all expenditures are accurately recorded. At project closeout, Post-Award Admin will request certification (email or signature) from the PI that all charges are appropriate and in accordance with the proposal and award documents. This certification should be filed with the final financial report and closeout file.

Final Cost Sharing Report, if required

Post-Award Admin will generate a report showing the cost sharing commitment and cumulative cost-shared expenditures for the PI to review. After the PI reviews the report, he/she must confirm the accuracy of the report via email or directly on the report. The following factors should be considered during the PI review of the final cost sharing report:

- the costs recorded on the report are true and accurate;
- the costs were not funded by a federally funded award;
- the costs were contributed to the identified project during the reporting period; and
- the costs have not been, and will not be, used as cost sharing contributions on any other projects or for any other periods relating to the identified project.

Any adjustments necessary as a result of Corporation or PI review will be made prior to finalizing the cost sharing report.

If required by the sponsor, a cost-sharing report will be submitted in accordance with sponsor guidelines.

Final Report on Program Income, if applicable

Program income or interest revenue is budgeted and accounted for with the fund in a manner consistent with the specific terms and conditions of the award or by reference to general provisions of federal regulation.

Sponsor requirements must be followed regarding the disposition of program income. Generally, federal sponsors will require and/or permit the following – Program Income:

- Must be reported on the Financial Status Report (FSR) and in the appropriate space.
- May be used to reduce the sponsor's share of funding when specifically allowed by the sponsor.
- May be used as supplemental support when specifically allowed by the sponsor (and properly accounted for).
- May be considered for cost sharing or matching gift requirements.