TYPES OF CLOSEOUT

• FINANCIAL/ADMINISTRATIVE
  – FINANCIAL REPORT OR INVOICE
  – COST SHARE
  – INVENTORY
  – REQUEST FOR TITLE OR DISPOSITION INSTRUCTIONS
  – ASSIGNMENT OF REFUNDS AND REBATES
  – AGENCY RELEASE

• SCIENTIFIC /TECHNICAL
  – PROGRESS/TECHNICAL REPORT
  – INVENTION
  – DATA SETS OR OTHER DELIVERABLES
  – THESES OR DISSERTATIONS
  – PUBLICATIONS
TYPES OF CLOSEOUT

• UNIVERSITY SYSTEMS
  – ALL PAYMENTS RECEIVED
  – ALL EXPENSES BOOKED
  – ALL ENCUMBRANCES CLEARED
  – ALL DEFICITS/RESIDUALS CLEARED
  – FUND RECONCILED TO FFR/INVOICE
  – FUND INACTIVATED IN THE ACCOUNTING SYSTEM

• DATA ARCHIVES
  – FINANCIAL/ADMIN
  – SCIENTIFIC/TECHNICAL
CONSEQUENCES

• FAILURE TO SUBMIT FINAL REPORTS ON A TIMELY BASIS CAN LEAD TO –
  – DISALLOWED COSTS
  – AWARD REDUCTION OR WITHHOLDING PAYMENT
  – DELAY IN RENEWAL/CONTINUATION AWARDS
  – SUSPENDED FROM FUTURE AWARDS
  – INCREASED AUDIT SCRUTINY
  – AUDIT FINDINGS
  – SUSPENDED FROM LETTER OF CREDIT
  – NEGATIVE REPUTATION WITH SPONSOR/PROGRAM OFFICER

• FAILURE TO CLOSEOUT ACCOUNTS (TIMELY) IN ACCOUNTING SYSTEM CAN LEAD TO –
  – UNNECESSARY INCREASE IN WORK BURDEN
  – UNNECESSARY INCREASE IN ADMINISTRATIVE COSTS
  – UNNECESSARY CASH MANAGEMENT RESOURCES USED
  – AUDIT FINDINGS
FIRST STEPS

- CLOSEOUT BEGINS WITH THE RECEIPT OF THE AWARD
- READ THE TERMS AND CONDITIONS
- READ THE STATEMENT OF WORK/REQUIREMENTS
- CATALOG ALLOWABILITY, REBUDGETING AND OTHER REQUIREMENTS OR RESTRICTIONS
- IDENTIFY TYPES OF REPORTS REQUIRED
- IDENTIFY WHO IS RESPONSIBLE FOR THE REPORTS
- IDENTIFY DUE DATES FOR THE REPORTS
- ESTABLISH ALLOWABILITY/BUDGET PROJECTION/COST SHARE PLAN
MIDDLE STRATEGIES

• GOOD PROJECT MANAGEMENT LEADS TO CLEAN, TIMELY CLOSEOUT

• MONITOR EXPENDITURES/BUDGETS/PROGRESS ON A REGULAR (MONTHLY) BASIS

• MAINTAIN GOOD PROJECTIONS AND RECONCILIATION PROCESSES FOR PLAN TO ACTUAL AND ADJUST PLAN AS NEEDED

• IF REPORT FORMAT WILL BE DIFFERENT THAN UNIVERSITY SYSTEM – MAINTAIN SHADOW REPORT AND REGROUP ON A REGULAR BASIS – DON’T WAIT UNTIL THE END
LIFE OF THE AWARD

- MONITOR SUBAGREEMENT PROGRESS AND EXPENDITURES - ADJUST PROJECTIONS AND MODIFY SUB AS NEEDED

- MONITOR ALLOWABILITY ON A REGULAR (MONTHLY) BASIS.
  - REMOVE INAPPROPRIATE COSTS ON A TIMELY BASIS (< 90 DAYS)
  - REALLOCATE MISSING CHARGES TO THE AWARD ON A TIMELY BASIS (< 90 DAYS)

- TERMINATE RECURRING EXPENDITURES ON A TIMELY BASIS (E.G. PAYROLL CHANGES)

- TRACK COST SHARE AND EFFORT ON A REGULAR (QUARTERLY) BASIS
LIFE OF THE AWARD

• MULTI-YEAR AWARDS
  – TREAT ANNUAL BUDGET PERIOD LIKE A TERMINATION AND COMPLETE FULL REVIEW ON AN ANNUAL BASIS
    • ALLOWABILITY
    • COST SHARE
    • EFFORT
    • REBUDGETING
    • CARRYOVER
    • DEFICIT
    • SUBCONTRACTOR ACTIVITIES
    • TECHNICAL PROGRESS
SEMI-FINAL TASKS

• 6 MONTHS BEFORE TERM
  – COMPREHENSIVE BUDGET PROJECTION
  – COMPREHENSIVE COST SHARE REVIEW
  – COMPREHENSIVE EFFORT REVIEW
  – COMPREHENSIVE ALLOWABILITY REVIEW
  – ADJUST PLANNED EXPENDITURES AS NEEDED
    • REALLOCATIONS IF NEEDED
  – FINAL EQUIPMENT OR LARGE SUPPLY ITEMS SHOULD BE PROCESSED “NOW”
    • AVOID EQUIPMENT, LARGE SUPPLY ORDERS AND SIGNIFICANT REALLOCATIONS IN THE LAST 90 DAYS
  – CHECK FOR SUBCONTRACTOR RESIDUALS TO REPURPOSE
  – ASSESS NEED FOR NO-COST-EXTENSION – REQUEST EARLY
  – REBUDGETING - REQUEST “NOW” IF SPONSOR APPROVAL IS NEEDED
FINAL STRATEGIES

• **90 DAYS BEFORE TERM –**
  – CONTACT ALL STAKEHOLDERS RE TERMINATION
  – ALL THE PREVIOUS REVIEWS...
    • ONCE MORE - FOR REAL THIS TIME!
  – TERMINATE HR/PAYROLL FORMS
  – TERMINATE STANDING ORDERS
  – LIQUIDATE OR CLEAR ENCUMBRANCES
  – REVIEW REPORT REQUIREMENTS/FORMS/DEADLINES
  – REMINDER TO SUB RE DUE DATES FOR INVOICES AND DELIVERABLES
  – BOOK ALL OUTSTANDING COSTS
    • TRAVEL
    • EMPLOYEE REIMBURSEMENTS
    • RECEIVING
    • SALARY REALLOCATIONS
    • OTHER REALLOCATIONS
    • COST SHARE
FINAL TASKS – BEST PRACTICES

(ACTUAL DATES MAY VARY BY SPONSOR/AGREEMENT)

• 30 DAYS FROM TERM – (EARLIER IS BETTER)
  – ALL EXPENDITURES BOOKED (INCLUDING COST SHARE)
  – ALL ENCUMBRANCES CLEARED
  – ALL DEFICITS CLEARED
  – ALL UNALLOWABLES CLEARED
  – FINAL SUBCONTRACT INVOICE PAID

• 60 DAYS FROM TERM (EARLIER IS BETTER)
  – FINAL F&A REVIEW/ADJUSTMENT
  – FINAL ALLOWABILITY REVIEW
  – FINAL COST SHARE REVIEW
  – ALL RESIDUALS CLEARED

• 90 DAYS FROM TERM (EARLIER IS BETTER)
  – ALL FINAL REPORTS SUBMITTED
  – FINAL PAYMENT RECEIVED

• 120 DAYS FROM TERM (EARLIER IS BETTER)
  – ACCOUNT CLOSED IN THE ACCOUNTING SYSTEM
QUESTIONS?

For questions please contact your OGC contact at 252-328-9530 or email us at grantsc@ecu.edu.