Department Administrative Policy and Procedures

Subject: **Award Closeout Guidance Policy**
Effective Date: September 1, 2019

I.   PURPOSE

The purpose of this policy is to provide guidance in closing out sponsored projects once they have ended. The University of Wyoming has a responsibility to closeout completed sponsored projects in a timely and accurate manner.

II.   DEFINITIONS

A.   Award Closeout

An award closeout is the final reconciliation and reporting of expenses and activities. This involves reviewing project expenditures, resolving open commitments, collecting subrecipient documents, and preparing required final reports and deliverables for submission to the sponsor including:

- Financial Reports/Invoices
- Scientific/Technical Reports
- Milestone Deliverables
- Invention/Property Statements

III.   POLICY

A.   Prior to the Project End Date

The Office of Sponsored Programs (OSP) will send a notification to the Principal Investigator (PI), and fiscal manager of the project(s) **60** days prior to the end date. If needed, an extension of the project end date should be requested and submitted during this period unless the sponsor requires the request be sent earlier. If approval of the extension has not been received before the **75th** day after the end date closeout procedures as described below, the following will go into effect in order to comply with the reporting requirements of the sponsor.

1. **University of Wyoming No-Cost Extension Procedures**

    No-cost extensions (NCE) are processed through the Office of Research and Economic Development (ORED), Research Services. No-cost extension requests are time sensitive and should be sought immediately after receiving the above referenced Project End Date notification from OSP unless the sponsor requires the request be sent earlier.

2. **Expenditure Review**

    All payroll, purchase orders, and other recurring charges must be changed to an appropriate funding source or terminated effective as of the project end date. All expenditure corrections to the soon-to-be expired project are subject to increased scrutiny by OSP and must have proper justification. All expenditure corrections from the expired project to another project or unrestricted center must be recorded during this time. Corrections to another project will be subject to increased scrutiny by OSP. The UW expenditure correction policy can be found at: http://www.uwyo.edu/administration/financial-affairs/_fafiles/docs/sponsored-programs/dapp/expenditure-correction_costtransfer-dapp-2019-6-3-1.pdf

3. **Pre-award Spending Account**

    If a new award is anticipated and the proper documentation is received, a pre-award spending account should be requested prior to the end date to facilitate the redirection of expenses during this period. Guidance for requesting a pre-award spending account can be found at: http://www.uwyo.edu/administration/financial-affairs/_fafiles/docs/sponsored-programs/preaward_spending_final.pdf.

B. Unspent or Deficit Balances After Submission of Final Financial Report

All unspent or deficit balances on project centers must be cleared within 60 days after the project has ended.

1. **Unspent Balances**
    Unspent balances occur when cumulative expenses are less than the amount of the award by the sponsor. Generally, unspent balances are returned to the sponsor after submission of the final financial report. However, for fixed price grants/contracts or excess program income, OSP will transfer the balance to an unrestricted account designated by the College/School. (Ffor more information on this see guidance on Residual Balance Fund Transfers available at http://www.uwyo.edu/administration/financial-affairs/policies/.
    If the award terms and conditions are not clear, OSP will consult with the sponsor regarding the disposition of the funds.

2. **Deficit Balances**
    Deficit balances occur when cumulative expenses exceed the amount of the award by the sponsor or when cumulative expenses exceed the reported total on the final financial report. Deficit balances are the responsibility of the PI and the Fiscal Administrator and should either be cost shared, if the expenses are legitimate to the project and occurred before the end date or transferred to an unrestricted center. The department must provide OSP with an unrestricted account within 60 days of the end date to clear the deficit balance.

C. Closeout Responsibilities

1. **Principal Investigator and/or Fiscal Administrator**

The PI/Fiscal Administrator bears the responsibility to:
- Review the final expenditures and award balance/deficit to verify the accuracy of the final Financial Report/Invoice. Submit any corrections to OSP, including those related to unallowable, questionable, or overdraft expenditures.
- Prepare and submit any required Scientific/Technical Reports or Milestone Deliverables to the sponsor.
- Complete any required forms related to inventions and send to ORED, Research Services for review.
- Provide OSP with the PI's approval confirmation of the final account balance, completion of all contractual commitments, and submission of all reports required by the sponsor.

2. **ORED, Research Services Responsibilities**

- Review and submit Inventions reports.

3. **OSP Responsibilities**

OSP bears the responsibility to:
- Coordinate with the PI/department to ensure all expenditures are finalized and adjustments are processed in order to reach a final account balance.
- Complete any required forms related to Property and send to department for confirmation.
- Prepare and submit the final Financial Report/Invoice.
- Submit any required Property Reports.
- Close sponsored accounts in the financial system and Electronic Research Administration System (InfoEd).

IV. <u>REPORTING DEADLINES</u>

A. Timeline for Final Reporting

Timeliness of final reporting is crucial to ensure compliance with sponsor requirements. Common deadlines are outlined below.

Award Type	Reporting Due Date
Federal	90 calendar days after expiration
Federal Pass-Through	45 – 60 calendar days after expiration
Other (e.g. State of Wyoming)	See grant/contract

Failure to submit reports by the deadline can result in suspension of the Principal Investigator (PI) and/or University from receipt of additional funding, reimbursement for current costs, and ability to submit future proposals. University guidance for closeouts was developed to ensure that all sponsor requirements are met in accordance with the Office of Management and Budget (OMB) Uniform Guidance (2 CFR 200.343).

Responsible Division/Unit: Administration / Office of Research and Economic Development, Office of Sponsored Programs
Links:
OMB Uniform Guidance
   https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
OSP Policies: http://www.uwyo.edu/administration/financial-affairs/policies/