

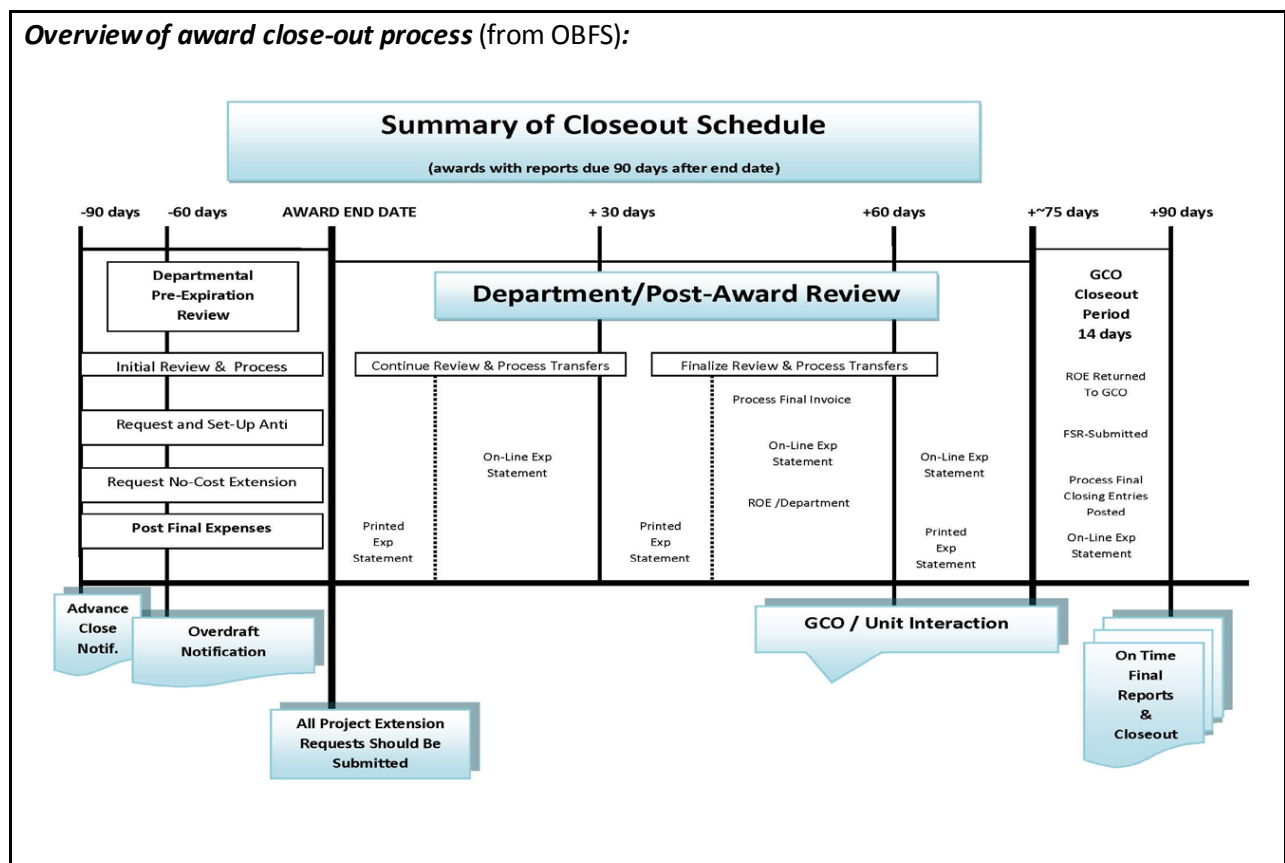
Reference Guide for Project Close-Out (Financial and administrative activities)

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From material posted on the University of Illinois OBFS website*

Closeout requires balancing the budget, expenditures, billings and payments. This may entail removing an overdraft or refunding unspent amounts to the sponsor.

Specific requirements vary by sponsor; details are contained in your contract/award document. The award document will indicate if the sponsor requires a final invoice, a final project or financial report, and instructions for the disposition of an unspent balance.

Sponsored project closeout is the shared responsibility of principal investigator (PI), unit business office or department administrator, and central offices. Collectively, they are responsible for the closeout of expired awards no later than 90 days after the project end date.



1. Closeout Responsibilities

(From <https://www.obfs.uillinois.edu/common/pages/DisplayFile.aspx?itemId=96382> and <https://www.obfs.uillinois.edu/bfpp/section-16-grants-research-contracts/sponsored-project-closeout/closeout-documents-responsibilities>)

1.1.PI Responsibilities

The PI provides technical reports and/or deliverables to the sponsor within the specified time frame, or obtains the necessary extension. A copy of the report transmittal letter is to be sent to the Grants & Sponsored Projects Office.

The PI must disclose inventions in accordance with University regulations and as required by sponsor.

1.2.Unit Responsibilities

A computer-generated Notice of Terminating Accounts is sent to units 90 days before the expiration of a sponsored project. Units must inform the Grants & Sponsored Projects Office if they have information about continuation or renewal of a project. If not, the close-out procedures begin with the expiration date of the project. Generally, projects are to be closed within 90 days of expiration.

The unit responsible for the project is asked to provide the following information when it is applicable to the project:

- Status of the final technical report
- A listing of invention disclosures, or an indication that there were none
- Final subaward invoice voucher(s) signed by an appropriate departmental representative
- Final inventory of federally-titled equipment, if any
- For Federal non-research projects only, an accounting of unused expendable supplies (including expensed equipment) with an aggregate value of \$5,000 or more
- An indication that all the charges to the project have been recorded or a listing of any pending and obligated costs
- Program income reports

The unit is also responsible for clearing cost overruns within 90 days after the project has terminated. The write-off of overruns remaining at termination of federally sponsored projects to appropriate institutional funds must be identifiable in the financial accounting records.

A cost overrun is the excess of expenditures over funding for a given project after:

- All corrections are made,
- All unallowable costs are removed, and
- All costs (except final report costs) incurred after the project termination date are removed

For a full description of the Cost Transfer policy, see [Section 16: Grants and Research Contracts- Cost Transfers](#).

1.3.Grants & Sponsored Projects Office Responsibilities

The Grants & Sponsored Projects Office is responsible for assuring that all the University's obligations for the project have been met. This responsibility is fulfilled by coordinating with the units and principal investigators to provide the necessary reports and other documentation. In the case of projects with

subawards, the Grants & Sponsored Projects Office ensures that subrecipients have submitted a final billing, and that it has been paid. The following final close-out documents are submitted to the sponsor, as required:

- Final billing and/or expenditure report
- Patent report
- Equipment report
- Release and assignment forms

The Grants & Sponsored Projects Office then closes general and subsidiary ledger accounts, and deobligates any unused balances, and returns funds to sponsor for all cost reimbursable awards.

Summary of close-out responsibilities (from OBFS):

Principal Investigator's Responsibility	Deliverables
Review Award Expenditures	Financial Report
Review and Approve Sub-recipient Reports	Final Technical Report
Finalize all related forms and reports	Technical Report Invention Report Patent Report Effort Report

Unit Financial Manager's Responsibility	Deliverable/ Implication
Confirm with funding agency that project is indeed ending	Timely closeout
Review award expenditures (over the life of project and at closeout)	Financial Report
Remit final payment to sub-awardees	Financial Report
Receive Final Invoice from Sub-awardees and remit payment	Final Invoice to prime agency and Financial Report
Reconcile grant fund – ensure costs are allowable, allocable, reasonable and consistent with the terms of agreement	Financial Report
Resolve overdrafts	Final Invoice and Financial Report
Review who has spending authority and notify individuals to stop processing charges to the project	Collect P-cards Close recurring charges (such as BRL or telecom) Close standing orders (for example, POs for lab supplies) Close or transfer payroll encumbrances
Provide cost share report	Final Invoice/report

Office of Grants & Contracts' Responsibility	Deliverable/ Implication
Send final invoice to sponsors/funding agencies	Cash receipt
Prepare and submit financial status report	Meet Compliance
Return unexpended balance per final report	Refund check
Prepare supporting forms and reports	Property Report Contractor's release form
Close sub-award/consultant encumbrances	Terminate grant/fund
Prepare and process closing entries	Terminate grant/fund

2. Sponsored Project Closeout Checklist (from OBFS)

Changes that need to be processed	Complete
HR appointments have been changed	<input type="checkbox"/>
Purchase Orders have been closed or changed	<input type="checkbox"/>
Service units have been notified about change of C-FOAP	<input type="checkbox"/>
P-card default C-FOAP have been changed	<input type="checkbox"/>
Users have been notified that project has ended	<input type="checkbox"/>

Expenses related to the project	Complete
All project-related expenses have been posted	<input type="checkbox"/>
All unallowable late charges and excess costs have been removed	<input type="checkbox"/>
All lump-sum advances have been cleared	<input type="checkbox"/>
All sub-recipients' final invoices have been paid	<input type="checkbox"/>
All encumbrances have been closed or removed	<input type="checkbox"/>
All facilities and administrative costs and tuition remission costs have been assessed	<input type="checkbox"/>
All adjusting journal entries have been posted	<input type="checkbox"/>

Revenue related to the project	Complete
All payments have been received from sponsor	<input type="checkbox"/>
All cost-share funding has been properly recorded	<input type="checkbox"/>
All technical reporting requirements have been met	<input type="checkbox"/>
All financial reporting requirements have been met	<input type="checkbox"/>

For more University Policies and Procedures, see Appendix 1 "Closing a sponsored Project"

Appendix 1: Closing a sponsored Project

Business and Financial Policies and Procedures

OBFS Home » Policies and Procedures » Section 16: Grants and Research Contracts » Sponsored Projects Closeout » Close a Sponsored Project

Close a Sponsored Project

Policy Statement

The University of Illinois has a responsibility to close out completed sponsored projects in compliance with federal regulations, sponsor policy, and award terms and conditions. Office of Management and Budget (OMB) Circular A-110 (2 CFR 215) and Uniform Guidance (*2 CFR 200.343 Closeout*) require that final financial, performance, and other reports be submitted within 90 calendar days after the project end date. It is the University's policy that all required closeout deliverables be submitted to the sponsor within this stated timeframe. In the event that sponsor policy or specific award terms and conditions prescribe otherwise, such policy or terms and conditions shall prevail.

Before you Begin

Sponsored project closeout is the shared responsibility of principal investigator (PI), unit business office or department administrator, and central offices. Collectively, they are responsible for the closeout of expired awards no later than 90 days after the project end date.

As the administrator of your sponsored project, be mindful of its end date and terms and conditions, and accordingly take the necessary actions leading to a timely closeout.

Begin

To close a sponsored project, the Principal Investigator (PI) and the Unit Business Office are expected to take actions before and after project end date, as outlined in this procedure.

What to Do BEFORE Project End Date

Approximately 90 days before the expiration of a sponsored project, your campus post-award office, Grants & Contracts Office (GCO), sends you (unit business office) a monthly report of your projects that will end in 90 days. Between that time and expiration date, the **Principal Investigator (PI)** and **Unit Business Office** are expected to do the following:

- Inform GCO immediately if you have information about a continuation or extension of any expiring projects. This will stop the closeout process.

- Process extension requests as required per sponsor guidelines, or 90 days prior to project end date.
- Request an anticipation grant/fund or use of an expired or overspent grant/fund (*GC70: Request to Establish an Anticipation Grant/Fund - Request to Use Expired or Overdrafted Grant/Fund*), if applicable.
- Review accounting statements to date and ensure that all expenses charged to the award thus far are allowable, per the OMB Circular A-110 or Uniform Guidance and the terms of the award.
- Determine whether the project will end up with an unobligated (or unexpended) balance, and be aware of the award terms regarding treatment of such a balance: Can the unobligated balance be automatically carried forward? Or must it be returned to the sponsor? (Consult your campus GCO sponsored award contact, if you need assistance.)
- Review status of subrecipient invoicing to date as to accuracy and timeliness.
- Notify service centers with recurring billings (e.g. animal charges, printing, etc.) of the sponsored project expiration date and provide a new C-FOAP, if applicable.
- Ensure that all project costs, except incidental costs related to the creation of the final report (for example, photocopying or binding) are incurred or obligated by the project end date. For information about cost transfers, consult *Process Current Cost Transfers for Sponsored Projects* or *Process Non-Current Cost Transfers for Sponsored Projects*.
- Promptly remove cost overruns (overdrafts) if no additional funding is expected from the sponsor.
- Notify your campus GCO of issues with the sponsoring agency that would prevent collection of any outstanding accounts receivable.

What To Do AFTER Project End Date

The closeout process starts with the project end date. Within the next 45 to 60 days, the **Principal Investigator (PI)** and **Unit Business Office** are expected to do the following:

- Remove all costs incurred outside the performance period, except allowable pre-award costs.

- Generally, “pre-award” costs are allocable to the time period of the forthcoming new or competing continuation award and may be incurred up to 90 days prior to the beginning date of the project or budget period in accordance with the sponsor’s guidelines. Also, pre-award costs must be adequately justified to indicate that advanced funding is necessary for the effective and economical conduct of the project, and must be allowable under the terms of the forthcoming award.
- Post-award or after-term charges that are deemed non-applicable or unallowable must be transferred off to an appropriate funding source.
- Remove cost overruns (overdrafts) within 45 days after the project has expired to allow for submission of the federal financial report no later than 90 days after the project end date. Overdrafts must be transferred to an unrestricted funding source.
- Remove costs resulting from sponsor disallowances, or other unallowable costs per the terms of the award—as advised by your campus GCO sponsored award contact.
- Review open obligations (encumbrances/purchase orders/payroll commitments), and ensure that they are liquidated, cancelled, or moved to other appropriate funding sources.
- Confirm that all subrecipients have completed their scope of work, including all required deliverables, and submitted their final billing according to the terms of their agreement.
- Ensure that all project costs have been recorded. Process final expenditures per the due date of a final bill or financial report to allow for timely submission of the bill or report, as indicated in the following table.

If Sponsor Final Billing/Closeout Is Required	Then, Final Submission of Expense Transactions Is Due
30 days after project end date	15 days after project end date
60 days after project end date	30 days after project end date
90 days after project end date	60 days after project end date

- Validate final expenditure report prior to submission of final invoice or federal financial report.
- Prepare and submit the final technical report and/or deliverables to the sponsor.

- Submit form listing invention disclosures, or indicate that there were none.
- Submit a final inventory of federally-funded equipment, if any.
- Submit, for federal projects, an accounting of unused expendable supplies (including expensed equipment) with an aggregate value of \$5,000 or more, as applicable.
- Provide your campus GCO an accounting of program income or cost share commitments, as applicable, if these items are not tracked centrally on your campus.