

## CLARIFICATION OR CHANGE IN PROCEDURE (CCHIP)

### Closeout of Sponsored Awards

#### OVERVIEW

Award closeouts generally require that a series of final reports be submitted to the project's sponsoring agency. It is essential that these be prepared and sent on time. The terms and conditions of the award will specify what should be sent, when and to whom, and will be used to determine the duration of the adjustment period following the end of the award.

#### DEFINITIONS

Adjustment Period – *The period immediately following the award's end date which provides time for all final transactions (payroll, expenditure transfers, final adjusting entries, etc.) to post to the General Ledger and become available in FAST.*

Pending Charges – *Charges for goods and services that were received within the project period that have not posted to the project at the date of reconciliation.*

Sponsored Award – *Any grant, contract, or other agreement between the University of South Florida (recipient) and a sponsoring agency.*

Sponsoring Agency – *The agency that provides a sponsored award directly to a recipient.*

#### CLARIFICATION OR CHANGE

Sponsors generally require a basic set of reports in order to close an award. It is important to complete all the requirements in the timeframe stipulated by the sponsor. The closeout documentation requirements and the timeframe for submission are stated in the terms and conditions of the grant or contract. The usual terms require that the following reports be submitted within 90 days of the expiration of the award:

- Final technical report
- Final financial report
- Final inventions report
- Final property report

The University is accountable for all required closeout documents. Non-compliance in this regard can lead to suspension of awards for the principal investigator (PI) and the University from the sponsor, and/or loss of funding.

Pursuant to changes in Federal Regulation **Uniform Guidance (2 CFR § 200.343 (b))**, "Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 120 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award" the university has discontinued the practice of including non-liquidated obligations ("Pending Charges") in all invoicing and reporting.

To clarify the time-frame in which final adjustments can be made, USF has established an **Adjustment Period** which is defined as the period immediately following the award's end date which provides time for all final transactions (payroll, expenditure transfers, final adjusting entries, etc.) to post to the General Ledger. The Adjustment Period should be used to record and correct all expenses on the General Ledger, and is not an extension of the project period – all transactions must be reasonable, allowable, allocable, and incurred within the award period established by the terms and conditions of the award.

## RESEARCH CCHIP # 011

The adjustment period begins the first day following the end date of the award, and continues until 30 days prior to the invoice and/or report due date per the terms of the agreement, up to a maximum of 60 days.

Although rare, occasionally invoices and/or reports are due to the sponsoring agency less than 30 days after the end date of the award; in these instances, the adjustment period is equal to 0 days in duration or, stated otherwise, all adjustments must be made prior to the end date of the project. If an adjustment period is desired for such projects, at the written request of the PI to the award's Post Award Transaction's Team Grant Financial Administrator (GFA), the award's end date can be advanced, internally within USF's financial system (FAST), up to 60 days prior to the end date established in the terms and conditions of the award. Upon receipt of this request, Sponsored Research will change the end date (including the KK definitions, or "KK-end date") within FAST, and will use the requested date as the end date of the award. This will include for the purposes of determining the project period as it relates to the allowability of charges, and override requests.

Upon the close of the adjustment period, Post-Award Invoicing & Reporting will prepare the invoice and/or financial report for the sponsor based exclusively on transactions posted to the General Ledger.

Only expenses posted to the General Ledger can be included in the invoice or report with the sole possible exception of retroactive expenditure transfers (RETs), *which have been approved by Sponsored Research and forwarded to payroll for processing, but are delayed due to a known system limitation within USF's Payroll System (GEMS).*

Except as outlined above, the principal investigator (PI) and/or department/college is responsible for any expenses that are not posted to the General Ledger at the close of the adjustment period.

If additional time is required for award activities, it is the PI's responsibility to request a no-cost extension through their Sponsored Research Administrator (SRA) no later than 30 days prior to the award expiration, or as otherwise required by the terms and conditions of the award.

Please note, Post Award Invoicing & Reporting is instructed to report in accordance with the procedures outlined in this CCHIP. Therefore, it is expected that compliance with all invoicing, reporting, and close-out procedures are strictly followed, without exception. As such, Post Award Invoicing & Reporting will operate on the assumption that, at the close of the Adjustment Period all expenses related to the project have been reviewed, adjustments posted – if necessary, and that all costs are properly posted, are reasonable, allowable, allocable, and incurred within the project period and, as a result, will submit a final invoice and/or financial report based solely upon the information available in the General Ledger as reflected in the University's Financial Accounting System (FAST).

## PROCEDURES

### Department Administrator/Principal Investigator

- Prepares and submits the final technical report to the sponsoring agency.
- Prepares the final invention report and forwards to Sponsored Research.
- Approves the invoice and/or financial report for submission to the sponsoring agency.
- Changes the charging instructions for recurring expenditures that were posting to ended awards (i.e., payroll distribution, recurring interdepartmental charges, etc.)
- Prepares retroactive expenditure transfers (RETs) removing any unallowable expenses from the sponsored award (i.e. expenses exceeding sponsored award budget).
- Prepares request for disposition of property and submits to Sponsored Research for approval.
- Removes sponsored award from Integrated Facilities Information System (IFIS).

## RESEARCH CCHIP # 011

### Sponsored Research Pre Award

- Submits subcontractor final release form. (Prepared by Post Award)
- Approves and submits the final invention report to sponsoring agency.
- Reviews and approves request for disposition of property, if applicable. Secures sponsor approval where required. Returns approved request to Departmental Administrator/Principal Investigator.
- Prepares subcontractor final release form and forwards to Pre Award for signature and submission.

### Asset Management Services

- Provides property information to Post Award for the completion of the final property report.

### Sponsored Research Post Award

- Prepares and submits the invoice and/or financial report, upon approval from the Principal Investigator or designee to the sponsoring agency. (If confirmation is not received by the due date, the invoice and/or report will be considered approved by the Principal Investigator, and submitted without changes).
- Prepares and submits the final request for reimbursement from the sponsoring agency.
- Prepares and submits the final property report based on information from the AMS department.
- Approves retroactive expenditure transfers removing any unallowable expenses from the sponsored award (i.e., expenses exceeding sponsored award budget) that have been submitted by the Department Administrator/Principal Investigator.
- Overrides budget date out of bounds errors for reasonable, allowable, and allocable transactions that post within the adjustment period.
- Reconciles reimbursements requested to payments received and follow up with sponsor agency on outstanding accounts receivable.
- After all appropriate transactions have posted (pending items and expenditure transfers) and all payments have been received, inactivates chartfield in FAST and enters record retention milestone with record retention date. (See **CCHIP #007 Record Retention for Sponsored Awards.**)

Note: The reports listed in the aforementioned procedures are the most commonly required. Additional closeout reports may be required depending on agency guidelines and/or specific award requirements.

## CONTACT

Please address your comments or questions regarding this CCHIP to [Sponsored Research Compliance](#).

## RELATED REFERENCES

[CCHIP #007](#)

## AGENCY GUIDELINES

[Uniform Guidance \(2 CFR §200\)](#) (Federal awards issued on or after 12.26.14)

## EFFECTIVE DATE

This CCHIP is effective for all reporting periods ending on or after January 1, 2018 and rescinds all previous versions pertaining to the **Closeout of Sponsored Awards**.