

ACCOUNT CLOSEOUT PROCEDURE

Purpose

To establish procedures for closeout of project accounts.

Policy

The closeout of a project account is the process of confirming and / or documenting the fulfillment of the terms and conditions of a sponsored award upon its completion, and the inactivation of the project account on the books and records of the Research Foundation.

The closeout process should be completed in a timely manner after the expiration of an award.

The closeout process is the joint responsibility of the Research Foundation, College and Principal Investigator.

Ideally, if a project is completed as planned in the award proposal, then all of the sponsor's funds would have been appropriately spent and costs would not exceed the awarded amount. Good award management requires proper planning and monitoring throughout the project cycle to preclude the need return funds to the sponsor and to help facilitate a timely and unproblematic closeout.

Federal regulations on the closeout procedures are set forth in OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

200.343 Closeout

- The non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.
- 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 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.
- The Federal awarding agency or pass-through entity must make prompt payments to the non-Federal entity for allowable reimbursable costs under the Federal award being closed out.
- The non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that is not authorized to be retained by the non-Federal entity for use in other projects. See OMB Circular A-129 and Section 200.345 (of the Uniform Guidance) Collection of amounts due for requirements regarding unreturned amounts that become delinquent debts.
- Consistent with the terms and conditions of the Federal award, the Federal awarding agency or pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.
- The non-Federal entity must account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with Section
 - 200.310 (of the Uniform Guidance).
- The Federal awarding agency or pass-through entity should complete all closeout actions for Federal awards no later than one year after receipt and acceptance of all required final reports.

200.343 Post-closeout Adjustments and Continuing Responsibilities

- The closeout of a Federal award does not affect any of the following.
 - The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review.
 - The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.
 - Audit requirements in Subpart F-Audit Requirements of this Part.
 - Property management and disposition requirements in Subpart D-Post Federal Award Requirements of this Part.
 - Records retention as required in Subpart D-Post Federal Award Requirements of this Part.
- After closeout of the Federal award, a relationship created under the Federal award may be modified or ended in whole or in part with the consent of the Federal awarding agency or pass-through entity and non-Federal entity, provided the responsibilities of the non-Federal entity referred to in paragraph (a) of this section, including those for property management as applicable, are considered and provisions made for continuing responsibilities of the non-Federal entity, as appropriate.

200.345 Collection of Amounts Due

- Any funds paid to a non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms the Federal award constitute a debt to the Federal government. If not paid within 90 calendar days after demand, the Federal awarding agency may reduce the debt by
 - Making an administrative offset against other requests for reimbursements;
 - Withholding advance payments otherwise due to the non-Federal entity;
 - Other action permitted by Federal statute.
- Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the "Federal Claims Collection Standards" (31 CFR Parts 900 through 999).

Procedure

The following outline lists procedures in normal sequential steps

- Send the standard termination notice to PI including requests for accounting of outstanding commitments and prepayments, and matching costs data as needed within 45 to 60 days before the expected expiration date.
- Prepare and file the final expenditure report/voucher including equipment inventory statement to the sponsor as required. Contact the PI for confirmation of unliquidated obligations if the account has a substantial unexpended balance.
- Record the final A/R amount.
- Adjust the budget, fund balance and the A/R to correspond to the total amount of the expenditures.
- Send a copy of the final expenditure report / voucher to PI if requested.
- Prepare and file, or request from PI the following closing documents as required by sponsors
 - Final program / progress/technical / evaluation report
 - Inventory Statement / Equipment Report – Accountability and Disposition
 - Summary of Settlement Statement
 - Final Release
 - Refunds, Rebates
 - Assignment of Credits
 - Property Clearance
 - Patent Certification / Clearance
- Verify the statement / report of final audit from sponsors. Follow up on any outstanding A/R
- Deactivate the account, and send the project folder to storage.
- The closing procedures may vary in accordance with different sponsors' regulations and requirements.