Close Out Process for Grants and Contracts

Presenter: Marcia Sharp

Who Does What?

PI: Responsible for project from beginning to the end.
    Complete and mail final technical report to the sponsor by due date.
    Complete any additional reports specified in the grant/contract. For example, equipment use and final release forms (some, not all, agencies require this).

Departmental/Fiscal Staff:
    Review Monthly Management Report sent out by OSPA for projects that have ended.
    List of projects for the dept including those ended.
    Verify that all expenses have cleared. – Need to reconcile grant accounts monthly.
    Move any expenses not allowed or that hit after project end date
    Provide MoCode to Senior Accountant for fixed price award transfers. (FP are easier & quicker to close out)
    Process PAF’s changes as quickly as possible – if payroll hits an account it has to be paid so if a project has been closed and payroll hits it, it has to be opened up again.
    Have MoCodes changed on external feeders

OSPA Senior Accountant:
    Complete final invoice/draw/federal financial reports.
    Transfer Fixed Price balanced upon receipt of MoCode from Department
    Make any necessary adjustments to indirect – Fixed Price – indirect applied at this time.
    Inactivate project and mocode in Grants Module and Peoplesoft. – nothing is open any longer; No expenses, etc.; Cannot charge anything else to the grant; Look at Budget Variance 8: everything 0
    Look at A/R – nothing out there. Then accountant closes and overnight the MoCode will inactivate.
    To determine what needs to be refunded to the sponsor, the total revenue is subtracted from the total expenses. (cost reimbursable)

What happens after a project has ended?
    Audit each year – close out issues are looked at. Outcome of audit can determine future funding.

NEW Closeout Policy for Sponsored Projects Chartfields NEW

    The expense close date is the last day on which expenditures can be posted to the Project. All expenses must be allowable and incurred prior to the actual end date of the project. The expense close date will be determined by the OSPA accountant according to how long we have to file the final financial report.

    When a project has reached its end date, the University of Missouri has an obligation to the sponsor to meet reporting requirements. In practice, this essentially means that they expect to have a final invoice within a specified timeframe. This timeframe is referred to as the “reporting period” and varies by sponsor. Expenditure changes will only be allowed for a specified timeframe after the end date, so as to allow Sponsored Programs and the department the ability to close out projects in a timely manner.

    Relationship of the reporting period and expense close date
    90 days-The department has 45 days from the end date to make any changes
    60 days-The department has 30 days from the end date to make any changes
    45 days-The department has 23 days from the end date to make any changes
The department has the first half of the reporting period to make changes.

When the departments change period has passed (expense close date), no more entries will be allowed on the project. If the project is overspent, the Sponsored Programs office has the option to move these expenses to the departmental general operating chartfield string. The individual departments are responsible for monitoring their general operating chartfield string for these transactions, and moving them to the appropriate place.

Q&A

Can indirect be charged before the end of the project? NO. Need to use Budget Variance 8 to see balances available. System office does not allow us to charge indirect costs until the end of the project. Marcia will address w/ Sam Peterson at Post Award Staff Meeting.

How often is indirect applied? Processed nightly based upon the expenses. Indirect costs charged to grant based upon revenue – processed monthly.

Some will projects will stay on the list even if account is “0”. May have been a change in MoCode or there may still have some other issues causing it to still be open. Contact Sr. Accountant to find out why it is still open and they might be able to close it.