



Closeout Policy

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BACKGROUND

When a sponsored project is scheduled to end, and no extensions are requested of the sponsor, the Office of Research and Sponsored Programs initiates the Closeout Procedure. This procedure ensures that all financial and programmatic sponsor requirements are completed. The Closeout Procedure specifically addresses the following:

- Early identification of potential problems that may prevent a timely closeout process
- Confirmation that all project expenses are entered into the Common Financial System (CFS)
- Confirmation that the final invoice and financial report reflect all expenses posted to the project and are submitted to the sponsor by the due date
- Completion/fulfillment of all sponsor requirements (technical, programmatic and financial)
- Reconciliation of final expenses posted in OBIEE to the amount submitted on the final financial report
- Identification of any deficits or surpluses on projects
- Inactivation of the project in CFS so that no additional financial activity may occur

PROCESS

A. Principal Investigator Notification

- 90 days prior to a sponsored project's scheduled end date, the Grant Administrator (GA) shall contact the Principal Investigator (PI) to discuss outstanding project matters and to determine whether a no-cost time extension or supplemental funding will be requested.
 - If a no-cost time extension is requested, the GA facilitates this process externally with the sponsor and internally with the SF State units involved in the project's administration

B. Award Closeout

- Most sponsors require final documents be submitted within 90 days of an award's end date. If reporting requirements for an award occur on a timeline of less than 90 days, the Closeout Procedure shall take place over a shorter period of time as required to meet the sponsor's deadline.
- The GA shall notify the Fiscal Affairs Accountant of any unusual financial report or invoicing requirements and/or deadlines required by the sponsor.
- All expenses must be posted to the project (as seen in OBIEE) before the final invoice or financial report can be submitted to the sponsor.
- Financial and programmatic reports must be submitted to the sponsor in accordance with the terms and conditions of the award.

C. Deficits and Surpluses/Project Inactivation

ORSP and Fiscal Affairs (FA) shall work together during the closeout process to identify deficits or surpluses and shall provide financial information to PIs in order to assist them in reconciling financial records.

Deficits

- The PI is responsible for ensuring that the project does not incur a deficit, which is defined as the total expenditures and outstanding commitments exceeding the total amount budgeted.
- When deficits occur, ORSP and FA shall determine the amount and source of the deficit and inform the responsible administrator. ORSP shall work with the PI and/or other responsible administrator to identify the specific source of funding to cover the deficit, as outlined in the *Procedure for Processing Deficits and Surpluses* document.
 - When there is a deficit accumulated at the end of a project as a result of system or administrative errors, the deficit will typically be covered centrally.
 - If the deficit is the result of overspending, it is typically the responsibility of the College to cover the deficit; if the College will not be held responsible for the deficit, the PI must indicate an alternate source of funds to cover the deficit.

Surpluses

- When a surplus is identified ORSP will return residual funds to the sponsor, unless otherwise specified by the terms and conditions of the award, as outlined in the *Procedure for Processing Deficits and Surpluses* document.

Project Inactivation

- After a project's cash deficit or surplus has been fixed, the project can be inactivated, as outlined in the *Procedure for Processing Deficits and Surpluses* document.
 - The GA requests that Fiscal Affairs inactivate the project once the balance has reached the allowable amount.
 - The Fiscal Affairs Accountant inactivates the project in CFS and requests that the Budget Analyst inactivate the project salary accounts within the Human Resources Management System.

ROLES AND RESPONSIBILITIES

Grants Administrator (GA)

- Coordinates the closeout of the award with the PI and FA
- Provides initial notification to the PI 90 days before the award's scheduled end date and follows-up, as necessary, until all matters involving the award have been resolved
- Contacts the PI to determine if there are any outstanding expenditures that have not been processed and works with the PI to minimize last minute adjustments before the final report/invoice is due
- Provides guidance and assists the PI in resolving any outstanding items
- Processes the surplus or write-off (deficit) paperwork

ORSP Director

- Approves write-off forms and surplus packets

Fiscal Affairs

- Prepares all invoices and financial reports and submits them to the sponsor on or before their deadline
- Contacts the GA prior to submitting the final report/invoice to confirm that all transactions have posted in the Common Financial System (CFS)
- Provides ORSP staff draft of the final invoice or final financial report at least two weeks prior to the award's end date
- Ensures that all cash is collected on the final invoice and that the financial report has been submitted