Closeout Training
Presenters

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- Jeremy Hamlin, Associate Controller (CGA)
- Alana Watts, Sr. Financial Services Accountant (CGA)
Agenda

- Award life cycle and closeout requirements for sponsored projects
- Closeout timeline
- Items of risk at end of award
- Closeout items that would require agency approval
- Closeout forms/tools
- Subaward closeouts and forms
- Cost share commitments
- Closeout workflow in Banner
Award Life Cycle

- The final stage in the Award Life Cycle: Award Closeout
- Key Features:
  - Work has been completed or deliverables have been met
  - All invoices should be paid
  - On-time submission of all reports
    - Technical
    - Financial
    - Other
§200.16 Closeout.

Closeout means the process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in §200.343 Closeout.
Closeout Requirements

$200.343 Closeout.

This section specifies the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.

- Must submit, no later than 90 calendar days after the end date of the period of performance, all financial performance, and other reports required by terms.
- Liquidate all obligations incurred under the award not later than 90 days after the end date of the period of performance.
- Federal agency or PTE must make prompt payments to the non-Federal entity for allowable reimbursable costs.
- Promptly refund any balances of unobligated cash that the Federal awarding agency or PTE paid in advance or paid that are not authorized to be retained by the non-Federal entity.
- Make a settlement for any upward or downward adjustment to Federal share of costs after closeout reports have been received.
- Must account for any real or personal property acquired.
- The Federal Agency or PTE should complete all closeout actions no later than 1 year from receipt and acceptance of all required final reports.
# Closeout Timeline

<table>
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<th>Timeline</th>
<th>Through-out Award</th>
<th>60-90 Days Prior to End</th>
<th>End of Award</th>
<th>30 Days After End</th>
<th>60 Days After End</th>
<th>90 Days After End</th>
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<td>Monitoring of Award</td>
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<td>Interim Reporting - Non-Technical</td>
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<td>Workflow - Extend or Close (Dept)</td>
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<td>Review of Charges After End Date</td>
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<td>Final Verifications and Review</td>
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<td>Final Invoice and Non-Technical Reporting</td>
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<td>Final Reporting - Technical</td>
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**NOTE:** Based on typical 90 day closeout - some awards require earlier closeout

- **Department - PI**
  - Full
- **Fiscal Monitor**
  - Full
  - Exceptions
  - Modified
### Closeout Timeline

#### 180-61 Days before Award End Date
- Resolve collection issues
- Be familiar with closeout requirements of agency
- Review actuals vs. budget for salary, equipment, subawards, and participant support
- Student salary vs. tuition should be reviewed for each semester

#### 90 Days before Award End Date
- Banner workflow triggered to send close/extend reminder to department. At this point, the department can either extend, which will get the ball rolling with OSP on the extension process, or proceed with closeout workflow.

#### 60-0 Days before Award End Date
- Review subcontractor invoices to ensure they are up-to-date and there are no problems with subcontractors
- Review key personnel labor actuals versus what was proposed/budgeted.
- Make final labor redistributions as needed.
- Review all charges on award and finish fund reconciliation. Begin working toward final invoice to agency.
Closeout Timeline

0-30 Days After Award End Date

- Receive closeout reconciliation sheet from C&G. Due back within 3 weeks.
- Complete patent questionnaire and any other agency-specific forms. Send with closeout recon sheet.
- Work with subawardees to ensure they complete required closeout documents.
- Finish and submit final progress/technical reports.

30-60 Days After Award End Date

- All final entries and transactions should have posted to the award. The reconciliation should be complete and final invoice should be submitted and paid.
- C&G will finish and submit all non-technical and financial closeout documents required by the agency.
Risks at end of award

- Late Technical Reports (GONE Act)
  - Consequence: Could impact future funding from sponsor if reports are submitted timely

- Excessive cost transfers at end of award
  - Consequence: Increased audit scrutiny. Auditors love to scrutinize cost transfers, especially toward the end of the project

- Lack of PI Minimum Effort
  - Consequence: Increased audit scrutiny. Auditors love to scrutinize cost transfers, especially toward the end of the project

- Expense charges to “spend down” an award
  - Consequence: Another highly scrutinized and highly sampled area for auditors. Large transactions, especially equipment, purchased at the end of the award.

- Unmet cost share commitments
  - Non-sponsored/unrestricted funds would have to cover any unmet cost share commitments.
Avoiding Spend Down

Avoid excessive charges near project end date

Start up costs

Drawdown Spike

Extinguishing Remaining Grant funds (before expiration)

Extinguishing Remaining Grant funds (after expiration)

Normal drawdown pattern
Highly scrutinized items at closeout

- Lack of PI Minimum Effort or a reduction in salary for the PI (or other key personnel) by 25% or more
  - Formal requests for reducing salary of key personnel should be done during the life of the project and in advance before closeout.
  - Formal requests for agency approval should always route through OSP

- Salary transfers at or after award end.
  - Must have a significant business purpose and justification for the charges.

- Student salary vs. tuition
  - Should be reviewed each semester to ensure tuition compensation and salary exist for students (i.e. no tuition w/o student salary)
Closeout Tools

- Examples from a department (CHTM)
  - Monthly Snapshot Spreadsheet
    - Sent to PI’s once a month that tracks:
      - Spending
      - Encumbrances/Commitments
      - End Dates
      - Labor Distributions
      - PI Time
      - Existing Proposals
      - Grant Information
  - Reduced PI Salary Request Letter
CHTM Monthly Snapshot Spreadsheet
CHTM Reduced PI Salary Request Letter

- Per UG, a reduction in key personnel salary by 25% or more requires agency approval. This should be in place prior to closeout to avoid any closeout delays.
Closeout Tools

- **Burn Sheet Template**
  - A means to track spending, per budget line, for your selected period of time.

- **Simple Burn Rate Calculator/Spending Monitor**
  - The College of Education has put together this helpful, monthly, burn rate calculator. This can be used to track categorical spending, and quantify fiscal expectations and milestones, during the life of the award. Departments should feel free to modify and use this document.

- [http://cgacct.unm.edu/resources/department/index.html](http://cgacct.unm.edu/resources/department/index.html)
**Closeout Forms / Resources**

- **Department Closeout Checklist**
  - A resource to be used by departments to ensure all closeout requirements have been met.
  - Can be found on C&G website
    - [http://cgacct.unm.edu/docs/department-closeout-checklist.pdf](http://cgacct.unm.edu/docs/department-closeout-checklist.pdf)
**CGA Closeout Forms**

- **Contract & Grant Accounting Fund Closeout Reconciliation Form**
  - Review total expenses and any potential gain/loss amounts on project.
  - For gains/losses, confirm index for transfer
  - Reminder for patent questionnaire and any specific agency closeout documents
  - Items required before C&G can close index
  - PI attestation/certification that all expenditures posted or pending are allowable, allocable, reasonable, complete, and within the period of availability.
  - PI certifies that work has been completed
  - PI certifies that final progress report has been, or will be, submitted (if applicable)

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<thead>
<tr>
<th>Grant:</th>
<th>Fund:</th>
<th>Index:</th>
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<tbody>
<tr>
<td>Principal Investigator:</td>
<td>Co-PI:</td>
<td></td>
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<tr>
<td>Funding Agency:</td>
<td>Project End Date:</td>
<td>Total Expenses:</td>
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<tr>
<td>Loss Amount:</td>
<td>Estimated Gain Amount:</td>
<td>Transfer Gain/Loss to Index:</td>
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<tr>
<td>Fiscal Monitor (FM) Closing Fund:</td>
<td>FM Email:</td>
<td>FM Phone:</td>
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</tbody>
</table>

According to our records, the above-referenced fund has ended. Please complete, sign, and return this Contract & Grant Closeout Reconciliation form by the above date. If you do not confirm this by the date, Contract & Grant Accounting will proceed with closing the above-grantees/index. Under the Uniform Administrative Requirements, Cost Principles and Audit, by this date, Contract & Grant Accounting Requirements for Federal Awards, Subpart D, Final Federal Award Requirements Closeout Section 200.343 (a) The non-Federal entity must submit, no later than 90 days after the end date of the budget period, all financial, performance, and other reports as required by the terms and conditions of the Federal Award. Also, UNM’s Controller has required that all funds be closed within 90 days.

If you have any questions regarding this form, please contact the Fiscal Monitor closing the fund.

If salary is being reallocated, process a labor redistribution. If cost transfers are needed in other expense categories, please prepare journal vouchers. If necessary, please submit any 90-Day memo with the closeout reconciliation.

The following documents were included in your Work Order or email. Please complete, sign, and return with this form:

- [ ] Patent Questionnaire
- [ ] Agency Closeout Documents

The items checked below are required for the closeout of this fund:

- [ ] Request final subaward invoice:
- [ ] Documentation for cost share (in-kind, third party, etc.):
- [ ] PO modification to cancel or transfer outstanding open encumbrances:
- [ ] Please provide a copy of the invoice numbers:
- [ ] Please provide a tuition transfer form:
- [ ] Other Items:

Please examine the index for charges outside the beginning or end dates of the award; RA tuition expense that are not supported by RA salary expenses; address over/under expenditures; return any outstanding subaward invoices that are pending approval.

Please list expenses (charges listed) that are still pending:

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The Final Progress/Technical Report (Please choose one of the three options below):

- [ ] Was submitted on:
- [ ] Was NOT submitted, but will be submitted on:
- [ ] No final progress/technical report is required.

As PI or designee, I certify that all expenditures posted and pending to the project as of today, are allowable, allocable, reasonable, complete and within the period of availability. All work has been completed or will be completed by the due date, including all final progress, technical reports and/or deliverables.

PI or designee Certification: __________________________ Date: ________________
CGA Closeout Forms

- **Patent Questionnaire**
  - To be filled out by the project’s Principal Investigator
  - Certification of any inventions
  - If yes:
    - Title of the invention
    - Date when invention was disclosed to UNM (STC)
    - Date when invention was disclosed to other parties
    - Whether other investigators were involved in creating the invention
    - Whether the PI is working with STC to commercialize the invention
    - Whether STC has filed a patent application for the invention
    - Whether the invention is related to other projects

- **Other specific closeout forms required by the sponsor**
  - Examples: DD882, SF-425, Property Reports, etc.
CGA Subaward Closeout Forms

- [http://cgacct.unm.edu/awards/subawards.html](http://cgacct.unm.edu/awards/subawards.html)
- Please send all reports within 60 days after the end date of the award
- Subaward Closeout Forms include:
  - Certificate of Final Accounting and Disposition of Property
  - Release and Assignment
    - [http://cgacct.unm.edu/docs/release-and-assignment.pdf](http://cgacct.unm.edu/docs/release-and-assignment.pdf)
  - Select the appropriate/required Patent Report:
    - Subrecipient DD882 (Patent and Subaward Info)
      - [http://cgacct.unm.edu/docs/dd882_subrecipient.pdf](http://cgacct.unm.edu/docs/dd882_subrecipient.pdf)
    - Department of Energy Patent Certification (SF2050.11)
      - [http://cgacct.unm.edu/docs/doi_sf2050.11_patent](http://cgacct.unm.edu/docs/doi_sf2050.11_patent)
    - NASA Patent Reports need to be submitted using the following link:
      - [invention.nasa.gov](http://invention.nasa.gov)
Committing cost share is a binding requirement of an award. Unmet cost share at the end of an award may lead to:

- Reduction in total amount awarded by the sponsor
- Providing the commitment from other unrestricted sources

Third Party and Non-F&A In-Kind Cost Share Commitments:

- This committed cost share is not accounted for in Banner, so documentation from the third party provider has to be provided by the department (usually in letter or memo form) to document that the requirements have been met.
- Occasionally there will be UNM non-F&A In-Kind Cost Share such as out-of-state tuition remission, UNM volunteers, etc. Documentation from the department is also needed.
Award Closeout - Workflow

The closeout Workflow process:

- Increases efficiency in the closeout process for the Principal Investigator, Department/Unit Administrator, the Office of Sponsored Projects (OSP) and Contract & Grant Accounting departments (CGA).

- Enhances communication, tracking, and accountability during various stages of the process.
The Award Closeout Workflow process runs nightly and checks for funds ending in the next 90 days. An e-mail is sent to the Principal Investigator and Account Administrators.

If the fund is truly expiring/ending:

- CGA works with the Account Administrator via Workflow to prepare to close the fund.
- A Closeout Reconciliation form will be sent via Workflow which will need to be signed and returned to CGA.
- The PI and or department staff work with CGA to insure that all expenditures are allowable.
- CGA reconciles and closes the fund.
- CGA prepares any Financial Reports that are required and the PI prepares the Technical or Progress Report.

When the fund is closed, the beginning of the fund title in Banner FTMFUND is changed to FROE (Final Reconciliation Of Expenditures).

The fund can also be FROE’d outside of the Workflow system, but this process is followed only when absolutely necessary.
Closeout Workflow (Banner)
Stage 1: Extend or Close

- Stage 1: Waiting for Dept to Extend or Close
  
  90 days prior to the Budget End Date, the Workflow process begins. An email is sent to both the PI and the Department Administrator (DA). The Workflow will be in the DA's queue where they can state whether the award will be closed or extended. This action should be done within 30 days, between -90 and -60 days from the Budget End Date.

  ![Workflow Diagram](image)

  The DA should choose “Close” if the award is closing or “Extend” if extending. If extending, the DA needs to enter the new end date. Next place in the comments any relevant information for the Fiscal Monitor and OSP. Then the “Complete” button should be chosen to submit the Workflow.
Stage 1: Extend or Close

- The Fiscal Monitor (FM) will check to see if the extension has been received and entered into Banner.
- If so, the FM will stop the workflow.
- If not, the FM will complete it so that it routes to OSP.
  - OSP will work with the agency on extending the award.
  - If more information is needed, OSP will directly contact the department.
  - Once OSP receives the extension, they will send the workflow back to the FM who will verify the end date and complete the workflow.
- Banner is then updated and an automatic email is sent to the department.
Stage 3b: Waiting for Dept to Complete Recon

- If the award is closing, the fiscal monitor will send the closeout reconciliation form along with any other closeout documents needed via Workflow.
Stage 3b: Dept to Complete Recon

#1: Click on the reports and print (for hard signatures) or save (for electronic signatures)

#2: When forms are completed and signed, click on “Attach File” to upload signed documents.
Stage 3b: Dept to Complete Recon

 Attaching files:

#3: Browse for signed document

#4: Choose name of report or type in a name

#5: Add comments if desired

#6: Click on Upload when complete
Stage 3b: Dept to Complete Recon

If using a standard name, Workflow will ask to overwrite. Go ahead and overwrite the unsigned version with the signed document:

Once all documents are attached, the Workflow can then be completed. It will then go to the FM who will finish the closeout process.
MyReports - All Campus FRGGR90

FRGGR90 - Closeout Workflow for Funds Ending on Contract

Please select column(s) to display:

- AGING
- GRANT CODE
- FUND CODE
- INDEX CODE
- FM
- SPO-NAME
- DEPT ADM

Campus:
- HSC
- MAIN

Select Stages:
- Waiting for Dept to Extend or Close
- Waiting for Fiscal Monitor to Enter Final Expenditure Amt
- Waiting for Fiscal Monitor to Enter Recon Matches BANNER
- Waiting for Fiscal Monitor to Enter if Already Extended
- Waiting for Fiscal Monitor to Send Recon
- Waiting for Fiscal Monitor to Validate End Date
- Waiting for Pre-Award Approval

Please do not print or output display.

If using HTML Active Report (click the drop-down and select the Export output, select the Export Filtered only) to Excel. Excel output.

Select type of display output. Use Excel for printing.

- HTML Active Report
- Excel
ANY QUESTIONS?
THANK YOU FOR ATTENDING TODAY!