

Financial Closeout Guidelines – Federal Agencies

December 2022 (updated-v1.2)

The following guidelines for the financial closeout of an award apply to NIH, NSF, NASA, ONR and other Federal Agencies.

Timing

The Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2CFR 200.343, (Uniform Guidance) states:

- The recipient must submit no later than 120 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.
- A subrecipient must submit to the pass-through entity no later than 90 calendar days (or earlier dated as agreed upon by the pass-through entity and subrecipient 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

Most federal agencies go on to clarify what kind of reports are required (invoice, SF 425, SF270...) in their own specific administrative guidelines (i.e., the NIH Grants Policy Statement) or in the actual sponsored agreement.

Most federal agencies follow the 120 day timing noted in the Uniform Guidance, but some agencies require reports to be submitted within 90 days of the end of the period of performance.

For specific information about Federal Financial Reports for NIH Awards, see the [Federal Financial Report \(FFR\) Guidelines - NIH document on the SPA website](#).

Responsibilities

Principal Investigator and/or Departmental Administrative Staff

If the reporting due date is 90 or 120 days after end of the period of performance, the functions noted below should be performed and completed within **60/90 days** of the project end date (based on the requirement for the award).

- Review the entire award and all grant lines allocated to other PIs/Cost Centers to ensure all expenses have been applied in WD. All expenses must be in “ready to bill” status in order to be included on a Cost reimbursable invoice in Workday.
- Process all Payroll Costing Allocations (PCA) and Payroll Accounting Adjustments (PAA) to ensure all applicable effort has been accurately posted to the grant line(s).
- Process all Workday documents (manual journals, budget adjustments, expense reports, miscellaneous payments, supplier invoices, internal service delivery charges (ISD) **etc...**)

and ensure that the appropriate department personnel approve them. Documents submitted after the end date of the award/grant should contain sufficient detail, which clearly states the applicability of the transaction to the project.

- Remove or transfer open commitments or obligations to a proper cost center/grant.
- Remove overdraft amounts (expenditures exceed available funding). If the overdraft contains expenses that were erroneously posted to the grant, they should be reclassified to the proper cost center/grant. If the overdraft contains expenses which actually relate to the project, a voluntary cost sharing grant line should be established and the expenses subsequently reclassified to it.
- Review the actual amounts posted to the cost sharing grant lines and compare them to the amounts obligated in the proposal and/or stated in the award/sponsored agreement. Process additional adjustments, as necessary, to ensure that the cost sharing obligations have been met.
- Review the subaward expenditures (SC462) and ensure that all invoices have been received and paid. Final invoice from subaward should be marked "FINAL".
- Some agencies require prior written approval to carry over funds from one grant period to the next. Typically, the PI must submit a written request which describes the reason for the remaining balance and how it will be utilized in future (competitive) grant periods. All requests of this nature should be co-signed by the PI and the designated staff in Sponsored Projects Accounting (SPA). Please consult the award/contract document and contact SPA if there are any questions.
 - NIH awards which are not included under "Expanded Authorities" require written approval of carryover amounts.
 - Balances remaining on NIH Fellowship awards (F31/32's) cannot be carried forward.
- Cost reimbursable agreements will require the return of any income received in excess of expenses incurred to the sponsor. Review Billing & Receivables -> RPT5868 for the Award for paid invoices to determine total income received.

Sponsored Projects Accounting

The functions noted below should be performed and completed within **90/120** days of the project end date (based on the requirement for the award).

- Prepare and submit the financial report and/or final invoice based upon the expenditure data contained in WD. Cost sharing expenses will be included in the report or invoice, as applicable. Recalculate and verify the Facilities and Administrative (F&A) costs and adjust as necessary. Calculate the remaining (unobligated) balance and determine if the funds should be returned (via a refund check) or carried forward to a new segment of the project.
- Post a closing F&A expense adjustment, as necessary.
- Process and post budget adjustments related to carryover amounts.

- NIH Awards: Carryover adjustments will not be processed until the financial report has been “accepted” by the agency (approximately 90 to 120 days after the end date of the award).
- Change Lifecycle status to Closed on both Overview and Individual Grant lines
- Monitor the award/grant to ensure that the final invoice has been paid.
- If income exceeds expenses and agreement is cost reimbursable, process a refund to return unspent balance to sponsor.