Agenda

• What is Closeout?
• Closeout Throughout Award Lifecycle
• Closeout in ConnectCarolina and RAMSeS
• Legacy Closeouts
• Helpful Tips & Tricks
• Q&A
What is Closeout?

• As described in Uniform Guidance (200 CFR §200.343-Closeout), an award closeout is the process of documenting and assuring the fulfillment of the terms and conditions, certifying awardee compliance with applicable regulations, final reconciliation, and reporting of expenses and activities.

• This involves:
  – Reviewing project expenditures based on the Cost Principles, resolving open commitments, and collecting subrecipient documents.
  – Preparing required final reports and deliverables for submission to the sponsor
  – Ensuring all funds have been received and AR is zero.

• Required reports include:
  – Technical/Progress Reports
  – Financial Reports
  – Invention Statements (as applicable)
Closeout Regulations

Internal Procedures & Sponsor Guidelines

• All sponsored projects are subject to Federal, University and sponsor guidelines concerning the closing of active projects. The University follows Uniform Guidance as the standard for closing awards.

• The closeout process is a collaborative effort between OSR, the PI, and Departmental staff to ensure all project work has been completed, all required reports are filed, and all financial matters resolved.

• Closing policies, procedures, and required documentation vary depending on the sponsoring agency – we must follow sponsor guidelines in addition to OSR Operating Procedure 700.1-700.4.
Closeout Throughout the Award
Get to Know Your Award

At Start of Project Period – Departmental Tasks

• Identify restrictions and limitations
• Identify and distinguish between the Project Period and Budget Period
• Identify what type of reports are required and when they are due
  – Both Progress/Technical and Financial Reports
  – Make sure your PIs are aware
• Identify when the **Final Invoice/Report is due** to the sponsor (Ex: 20 days, 30 days, 45 days, 60 days, etc. after the award ends)
  – Is a Final Report/Invoice required **per budget period** if incrementally funded?
• Identify what items the sponsor requires as a part of closeout
  (Inventions/Patent Form, Property Report, Release Form, etc.)
• **MARK** Important Dates on a Calendar
Throughout the Award Lifecycle

*During Project Period – Departmental Tasks*

- **Monthly**, review expenses to ensure:
  - Budget on the account has not been exceeded and funds have been expended in accordance with the award
  - Funds are used appropriately (allowable, allocable, reasonable, consistent in like circumstances)
  - Remove any unallowable expenses
  - Anticipated personnel is correctly being charged to the account
  - Cash advances have been reconciled in a timely manner
Throughout the Award Lifecycle

During Project Period – Departmental Tasks

• **Monthly**
  – Confirm cost share is met and recorded (as applicable)
  – Ensure burn rates are accurate based on budget, this includes subrecipient burn rates
  – Ensure charges are posting to the correct account codes
  – Work with your Sponsored Projects Specialist (SPS) for sponsor prior approval when required
  – Work with Subrecipients to get their invoices/reports submitted in the system in a timely manner
Closeout Process

Prior to Project Period End – Departmental Tasks

RAMSeS Sends Automatic Notifications:

- **90 Days Prior to End Date...**
  - Review future commitments to determine that there is sufficient available budget
  - Determine whether a no-cost extension is necessary. If so, submit OSR’s Prior Approval Request form along with any required documentation to OSR. Ensure that you have notified your Sponsored Projects Accountant that an extension has been requested.
  - Determine the necessary requirements have been/will be met (i.e., cost-share, deliverables, etc.)
Closeout Process

Prior to Project Period End – Departmental Tasks

RAMSeS Sends Automatic Notifications:

- **45 Days Prior to End Date...**
  - Review encumbrances, purchase orders, and outstanding cash advances
  - Review subcontract billing activity and their cost-share reporting (as applicable) and send reminder of final invoice due date
  - Request any vendor invoices that have not yet been received

- **7 Days Prior to End Date...**
  - Make any final preparations for project closeout and ensure all applicable charges have been posted
Closeout Process

Prior to Project Period End – Departmental Tasks

• **Things to Consider:**
  – No Cost Extension
  – Budget Revisions
  – Carry-Forward Request (if applicable)
  – Verify that continuing charges (Ex. Air Gas) have been moved to new Project ID (if applicable)
  – Ensure EPARs have been done to move employees to new Project ID (if applicable)
  – Communicate with Subrecipients: Make sure they are aware of their deadline and their reporting responsibilities
Post-Term Transactions

After Project Period – OSR and Departmental Tasks

• Verify that **ALL** transactions post to the award as quickly as possible
  – Notify Sponsored Projects Accountant (SPA) if delay expected

• Ensure charges are valid, allocable, and allowable per Cost Principles and sponsor guidelines

• **Rule of Thumb:** If the item did not benefit the award it should not be charged to the award!
  – Ex: If items are received after the award ends, most likely they should not be on the award
Closeout Process

After Project Period– Departmental Tasks

• Review expenses
• Remove excess and unallowable expenditures
• Ensure that PI will have technical report and any deliverables submitted by specified due date
• Ensure subrecipient invoices have been received and processed in the system by deadline
• Review any outstanding Cash Advances and Encumbrances and make sure they are reconciled ASAP
• Make sure that any required cost share/match has been met, and is properly accounted for and tracked
Closeout Process

After Project Period – OSR Tasks

• Review expenses
• Remove excess and unallowable expenditures
• Ensure subrecipient invoices have been correctly processed in the system
• Prepare and submit applicable sponsor required closeout documentation including Final Invoice/Report, Invention/Patent statements, Property Reports, etc. by due date specified in the award
• Review for any unreconciled Cash Advances and Encumbrances, and work with the department to get these cleared ASAP
Requesting Residuals

Departmental Tasks

- Residuals are the unobligated cash that remains at the end of the performance period after all deliverables and financial obligations have been fulfilled, and final payment has been received.
- They may only be requested on Fixed-Price agreements once they have completely ended.
- Please contact your SPS to determine if the University may retain the unused funds.
- Please contact your SPA for the accurate amount of the residual that you may request.

For more information on residual funds please see OSR Operating Standard 700.4.
Closeout Process Summary

• **READ** Your Award!!
• Manage your expenses, prior approvals and technical aspects through-out the lifecycle
• Know your project and budget end date
• Be aware of your burn rates, budget restrictions, and prior approval requirements
• Work closely with the Project Staff, OSR Staff, and other project managers through-out the project
• **KNOW YOUR DEADLINES and DUE DATES**
• Don’t be afraid to ask questions
Closeout and the Systems: RAMSeS and ConnectCarolina
System Closeout Outline

1 Day after Project Period
- Status changed to Ended

SPA Begins Final
- Status changed to Reporting

Closeout Criteria Met
- Award and Project Status changed to Closed
- Project moved to Frozen/Inactive in RAMSeS
Project Status Definitions

*ConnectCarolina*

- **Open:** Normal status for all on-going active awards
- **Ended:** Projects are automatically flipped to Ended the day after the project end date in ConnectCarolina
- **Reporting:** The SPA changes the project to reporting status in order to process the Final Invoice/Report
- **Closed:** Set by OSR once everything as been reviewed and completed and project has been completely closed in our systems
# Project Status Examples

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Project Status: Ended

Department Tasks

- Review Expenses
- Get lingering charges posted to the project ASAP
- Remove Over-budget Expenses and Unallowable Expenses
- Prepare Technical Report
- Clear all encumbrances
- Check that all Sub-contract Final Invoices/Reports have been received and processed
- Notify OSR/SPA that Award is Ready to Close
Project Status: Reporting

**OSR Tasks**

- SPA is actively reviewing expenses and preparing the Final Invoice/Report based on the General Ledger
  - Department can no longer post charges, or adjust charges on the project
  - Any changes that need to be made **have** to go through the SPA for approval
- Move off Over-Budget and Unallowable Expenses still on the award
- Ensure encumbrances have been cleared
- Submit Final Invoice/Report within the guidelines of the Award
- Submit sponsor required Closeout Documents (Inventions Statement, Property Form, Release, etc.)
Project Status: Closed

OSR Review Prior to Closing

- Ensure all payments are received from sponsor
- Process any necessary Refunds
- Process any requested, approved Residuals (as applicable)
- Make sure award is clean in the system and ready for system closeout
- Closeout award in Connect Carolina and RAMSEs

Challenges:
- Receiving Payment from the Sponsor
- Late No Cost Extensions
- Late Progress/Technical Reports
What about all the old open accounts?
Legacy Closeout

- Legacy Closeout Team - Sponsored Projects Accountants focusing on reconciling and completing system closes for all award types
- Population parameters for this team include **ONLY** contracts with an end date of 6/30/2017 and **PRIOR**
- Insights on the task at hand

**Total Contracts by Year**

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Legacy Closeouts Process

• Our method corresponds to the active closeout process for the most part:
  – Ensuring Final Financial Report matches GL Expenditures
  – Processing residual transfers, refunds, reconciling expenditures for accounts in deficit, reconciling F&A charge accuracy
  – Analyzing and reconciling any cash discrepancies
  – Analyzing and reconciling system issues stemming from system conversation
  – Other various action items needed to complete system close
• When criteria for system close is met – we close projects on a contract level in ConnectCarolina and RAMSeS
How can you help?

- **Projects in the negative?** Be on the forefront of our effort and move expenditures OFF projects that are causing a deficit.

- **Encumbrances? Cash Advances?** Reconcile Encumbrances and Cash Advances ASAP.

- **Residual funds need transfer?** Refer to revised OSR [Operating Standard 700.4](#), provide appropriate CFS, and any necessary justifications for balance over 25% awarded amount.

- Continue to be patient with the team😊
Closeout Myths

• The department has 60 days or until the KK End Date, no matter what, to review/modify expenses
  – **FALSE:** The time-frame is based on the Final Invoice/Report due date outlined in the award
• Department has until the due date to review/modify expenses
  – **FALSE:** Department gets portion of the time, and OSR gets a portion of the time
    • Ex: Report due in 30 days – Dept. gets 20 days, OSR gets 10 days
Closeout Myths

• OSR will use the Department’s report of expenditures as the Final Invoice/Report
  – **FALSE:** OSR uses the General Ledger to prepare the Final Invoice/Report

• Department must give approval prior to OSR preparing the Final Invoice/Report
  – **FALSE:** OSR must comply with the Award and will submit the Final Invoice/Report by the due date in the award with or without department sign off
Tips & Tricks

• How to Locate the SPA assigned to the Project:
  – RAMSeS Billing Tab under Award Project

• Notify OSR (SPA & SPS) as soon as possible regarding expected No Cost Extension
  – Can use Closeout Checklist in Ramses – Extension Expected Category, Also upload or attach something from sponsor proving NCE in Progress
  – Email SPA & SPS with communication from sponsor regarding NCE

• Open communication with OSR is KEY!!

• Read Your Award and Know the Requirements!!

• Manage your awards throughout their life-cycle