Research Administrators
Monthly Meeting
April 2018

Beth Zinda (Skendrovic), Assistant Director (Proposals)
Office of Research Services

Kathy Cleary, Sponsored Project Specialist
Office of Research Services

Katina Shepherd, Assistant Director
Grants & Contracts Office

Mee Mee Lee-Choi, Senior Associate Director
Grants & Contracts Office
Agenda

- Closeout Presentation
  - Objective: To understand overall closeout process and to provide general guidelines to follow in order to facilitate timely closeout

- Questions/Discussion
ORS Education & Training

The Office of Research Services (ORS) is committed to providing training and support to all faculty and staff involved in sponsored program activities and research administration. Sponsored program education is often a combined effort among centralized units such as ORS, the Office of Grants and Contracts (GCO) and various other regulatory offices engaged in the research administration process.

Upcoming Training

Ongoing/Previous Training

Research Administrators Monthly Meetings

2018
- Federal Agency Updates (February)
- Pre/Post Award Guidance on PI Departures (March)

http://research.uic.edu/sponsored_programs/education
Sponsored Project Closeout
# Life Cycle of a Sponsored Project

**Phase I**
*Identify Funding & Develop Proposal*

- **Units Involved**
  - Investigator/Unit
  - Research Development Services (RDS)

**Phase II**
*Prepare, Review & Submit Proposal*

- **Units Involved**
  - Investigator/Unit
  - College
  - Office of Research Services (ORS)
  - Office of Technology Management (OTM)
  - Office for the Protection of Research Subjects (OPRS)
  - Office of Animal Care and Institutional Biosafety (OACIB)
  - Office of University Counsel

**Phase III**
*Negotiate & Accept Award*

- **Units Involved**
  - Investigator/Unit
  - Office of Research Services (ORS)
  - Office of Technology Management (OTM)
  - Office of University Counsel
  - University Office of Risk Management
  - Sponsor

**Phase IV**
*Conduct Research, Submit Reports, Close Award*

- **Units Involved**
  - Investigator/Unit
  - Office of Grants & Contracts
  - Office of Research Services (ORS)
  - Office of Technology Management (OTM)
  - Office for the Protection of Research Subjects (OPRS)
  - Office of Animal Care and Institutional Biosafety (OACIB)
  - Office of University Counsel
  - University Office of Risk Management
  - Sponsor

The cycle is continuous and iterative, ensuring that each phase progresses smoothly and effectively to ensure the success of the project.
Post-Award Life Cycle

1. Read and Understand Terms and Conditions of your Award
2. Manage Your Project
3. Manage Your Budget
4. Report and Compliance
5. Project Closeout
Purpose of Sponsored Project Closeout

- The University has an obligation to sponsors and funding agencies to **bring funded projects to closure in a timely manner**
- The award closeout process is a **collaborative effort of all parties involved** in ensuring all project work has been completed, required reports filed, and financial matters resolved
- Closing policies, procedures, and required documentation **vary depending on the sponsoring agency**
Uniform Guidance 200.243 Closeout

“(a) The non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by or the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.”

Note: Some awards may have a shorter closeout period based on their specific terms and conditions.
University’s Policy on Closeout

Policy Statement

“The University of Illinois has a responsibility to close out completed sponsored projects in compliance with federal regulations, sponsor policy, and award terms and conditions. Office of Management and Budget (OMB) Circular A-110 (2 CFR 215) and Uniform Guidance (2 CFR 200.343 Closeout) require that final financial, performance, and other reports be submitted within 90 calendar days after the project end date …….”

https://www.obfs.uillinois.edu/bfpp/section-16-grants-research-contracts/sponsored-project-closeout/close-sponsored-project
Federal Policies on Closeout

Grants Oversight and New Efficiency (GONE) Act

- **NIH**
  - Recipients must submit closeout documents within 120 calendar days of the end of the period of performance (project period). The reports become overdue the day after the 120 calendar day period ends (NIH Grants Policy Statement Section 8.6).
  - [NOT-OD-18-107](#)

- **NSF**
  - Grants will be financially closed out on the first day of each month for all awards with end dates of 120 or more days prior to the financial closeout day
Why Is Timely Project Closeout Critical?

- To ensure receipt of final payment
- Save time, money, and reputation of the institution
- Protect withholding of new awards campus-wide by the awarding agency
- Prevent suspension of payments for costs incurred on other projects funded by the same agency
Closeout Timeline

Project End Date: 3/31/18

Between 4/1/18 - 5/30/18
- 1-60 days after project end date
- Send after-term expenditure report & other outstanding issues to business manager

Between 5/31/18 - 6/29/18
- 61-90 days after project end date
- Process final cash draw if necessary
- Set termination dates on Banner grant/fund codes

By 7/29/18
- Submit federal cash transaction report
- Submit final expenditure report
- Set termination dates on Banner grant/fund codes if not done at 90 days

Note: Above timeline is for most federal awards closeout.

For non-federal awards or federal pass-through awards, reports or final invoices may be due within 30 days, 45 days or 60 days after the award end date.
Special Emphasis on HHS Award Closeout

- UG §200.343 requires us to close out awards within 90 days after project end even though NIH/NSF allows 120 calendar days to submit final reports.

- NIH may initiate unilateral closeout if timely accurate reports are not submitted and NIH will close the award at the lowest reported amount:
  - Cash draw amount
  - Final expenditure reported on federal financial report (FFR)
  - Final expenditure reported on federal cash transaction report (FCTR)
Special Emphasis on HHS Award Closeout

- Timely closeout of an HHS award occurs when

Cash Draw = Final Expenditure Reported on FFR = Final Expenditure Reported on FCTR

How do we ensure everything matches on 3 different reporting systems?

Timing is critical (see chart on next slide)!
<table>
<thead>
<tr>
<th>Award End Date</th>
<th>Final Expenditure Must be Posted by units <strong>within 60 days after award end date</strong></th>
<th>Final Cash Draw Must be Completed by GCO within 90 days after award end date</th>
<th>FFR Submitted by GCO within 120 days after award end date</th>
<th>Quarterly Federal Cash Transaction Report (FCTR) Due By</th>
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<td>Mar 1st</td>
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</table>
## Closeout Documents and Responsibilities

<table>
<thead>
<tr>
<th>Document/Report Name</th>
<th>PI/Unit Business Office</th>
<th>Central Office (Pre-Award)</th>
<th>Central Office (Post-Award)</th>
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<tbody>
<tr>
<td>Final Financial Report</td>
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<tr>
<td>Final Payment Request/ Invoice</td>
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<td>Collection of Outstanding Receivables</td>
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<td>Final Cost Sharing Certification</td>
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<td>Property Report</td>
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<td>Contractor’s Release, Refund, Rebates, and Credits</td>
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<td>Final Technical/Progress/ Programmatic Report</td>
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<td>Final Invention Statement</td>
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<td>Final Patent Certification</td>
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</tbody>
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Closeout Responsibilities

Investigator / Department

- Completes items on Closeout Checklist
  
  [link]

  - Review award expenditures
  - Ensure subawards are finalized
  - Resolve open encumbrances/incomplete invoices
  - Remove overdrafts
  - Provide cost-share reports

- Finalize all related forms and reports
  - Technical
  - Invention
  - Patent
Closeout Responsibilities

Office of Research Services

- Verify Patent/Invention documentation with Office of Technology Management (OTM) to ensure consistency
- Sign-off on Property Certification, Patent Certification, and Final Invention Statements
- Once finalized, closeout documents are signed and submitted to the sponsor via email/applicable electronic system or hard copies returned to department for submission to sponsor
Closeout Responsibilities

Grants & Contracts Office

- Send advance closeout notice to department
- Send after term charges report for department review
- Review selected items of costs for allowability
- Confirm with PI and business manager that all expenses are final
- Submit final invoice and or final financial report to sponsor as applicable
- Prepare final cash draw, if necessary
Closeout Responsibilities

Grants & Contracts Office (Cont)

- Dispose of unexpended cash balances per terms and conditions, and campus policy*
- Close subaward encumbrances
- Set termination dates in Banner to close award

* Section 16.5.1 - Chicago Disposition of Unexpended Balance on Fixed Price Agreements
Common Issues/Barriers

- Overdrafts
- Continuous spending
  - salary
  - service center charges (RRC, BRL, telecom)
- No signed cost share certification
- Open POs & incomplete invoices
- Payments tied to deliverables (late)
How to achieve a successful and timely closeout?

- Communication is key amongst:
  - PI and project team
  - Research coordinators, grant managers and HR personnel
  - With service centers
  - With vendors and subcontractors
- Prevent late cost transfers
- Reconcile monthly to avoid surprises
Why you should care about an accurate and timely closeout?

- Potential non-payment
- Repayment of funds
- Loss of current and/or future funding
- Compromise institution’s reputation
- Compromise expanded authorities
- Unfavorable Single Audit
  - Labeled as high-risk auditee
  - Increased monitoring and oversight
  - Changes in processes and procedures
  - Loss of funding
  - Time loss
Resources

- OBFS Section 16 Project Closing Procedures
  https://www.obfs.uillinois.edu/cms/One.aspx?portalId=77176&pageId=92534#07

- Closing Out an Award
  https://www.obfs.uillinois.edu/grants/chicago-campus/essentials/closing-out-award

- UIC Sponsored Project Closeout Checklist

- Uniform Guidance -- 200.343 Reporting and Closeout
Questions/Discussion
Next Meeting

Wednesday, May 16 from 1-2pm

Topic:
Understanding Unobligated Balance Carryover and Carryover Request Process