A. INTRODUCTION

It is campus policy to have timely reconciliation, reporting and close-out of sponsored projects. Consequences of delayed reporting and closeout may include:

1. Delay or withholding of payments on current projects
2. Delay or withholding of future funding by sponsors
3. Exposure to audit findings and disallowances
4. Cash management Issues

As a result, it is campus policy to resolve all outstanding financial issues related to sponsored projects within a timeframe that facilitates meeting the sponsor’s reporting deadline and allows the Office of Grants and Contracts (OGC) to properly close the account at the same time.

B. DEFINITIONS

Administrative Unit - Part of a school, department, division, center, or institutional section of a large program.
Allocable Cost - Costs that can be assigned to a University program/project in reasonable and realistic proportion to the benefit recognized by each program/project with relative ease and a high degree of accuracy.

Allowable Costs - Direct costs that can be charged to a sponsored agreement as outlined in the provisions of OMB Circular A-21, Sponsor Requirements and University fiscal policy. In addition, the project being charged must also have received the direct benefit of the expense.

Cost Share - That portion of sponsored project that is not provided by the sponsor. Cost sharing consists of three types: (1) Mandatory, (2) Obligatory and (3) Voluntary. Cost sharing usually consists of effort or other expenses benefiting the project that are charged to an unrestricted fund, auxiliary and/or gift programs. These costs have specific tracking requirements that are outlined in Policy 4-8.

Cost Transfer - A transfer of a cost initially expensed to one University program/project (i.e., FOPPS) and subsequently transferred to a sponsored project. A cost transfer does not include items posted to a suspense account or program that are cleared to the appropriate project on a recurring, frequent basis.

FOPPS - A unique identifier within the PeopleSoft Financial system that defines which organization is associated with the transaction. It represents the fund, organization, program or project and sub-class if used.

D. POLICY STATEMENT

Most final financial reports (generally known as FSR’s – Financial Status Reports or ROE’s – Report of Expenditures) are due to the sponsoring agency on or before 90 days from the project/budget end date.

As a result, the closeout procedures for each award should be completed within 60 days from the project/budget end date to allow sufficient time to complete the final financial report (e.g., FSR/ROE). The PI and supporting Departmental/Administrative unit are primarily responsible for working with other appropriate University offices to ensure all financial matters have been resolved within this 60-day time period after the project/budget end date.

To assist with this responsibility, OGC will produce a monthly report that includes a listing of all awards, along with their associated cash balance and budget balance available, that are within 90, 60 and 30 days of their budget/project end date.

In addition to the monthly Financial Report Review Process, additional attention should be given to these projects to ensure the proper resolution of any financial issues by the end of the project.

Any unresolved expenses that remain in the account 75 days after the project’s project/budget end date, will be charged directly to the departmental speedtype designated for OGC use in filing FSR.

Such items include, but are not limited to the following:
1. Over-expenditures – i.e. deficit balances
2. Unallowable Expenditures
3. Undocumented Cost Transfers

Notes

1. Dates of official enactment and amendments:
   April 1, 2011: Adopted by the Vice Chancellor for Research
   March 1, 2012: Updated
   January 29, 2019: Formatting Updated

2. History:
   January 29, 2019: Modified to reflect a Campus-wide effort to recast and revitalize
   Campus policy sites into a standardized and more coherent set of chaptered policy
   statements organized around the several operational divisions of the university. Article
   links, University branding, and formatting updated by the Provost’s office.

3. Initial Policy Effective Date: April 1, 2011

4. Cross References/Appendix:
   • Office of Management and Budget (OMB) Circular A-21, Cost Principles for
     Educational Institutions
   • Office of Management and Budget (OMB) Circular A-110, Uniform Administrative
     Requirements for Grants and Agreements With Institutions of Higher Education,
     Hospitals, and Other Non-Profit Organizations