University of Missouri

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Closing Sponsored Awards

APM 60.20

March 2011

Learning Objectives

- Compliance requirements and responsibility to close an award of the:
  - Principal Investigator (PI)
  - Research Administrator
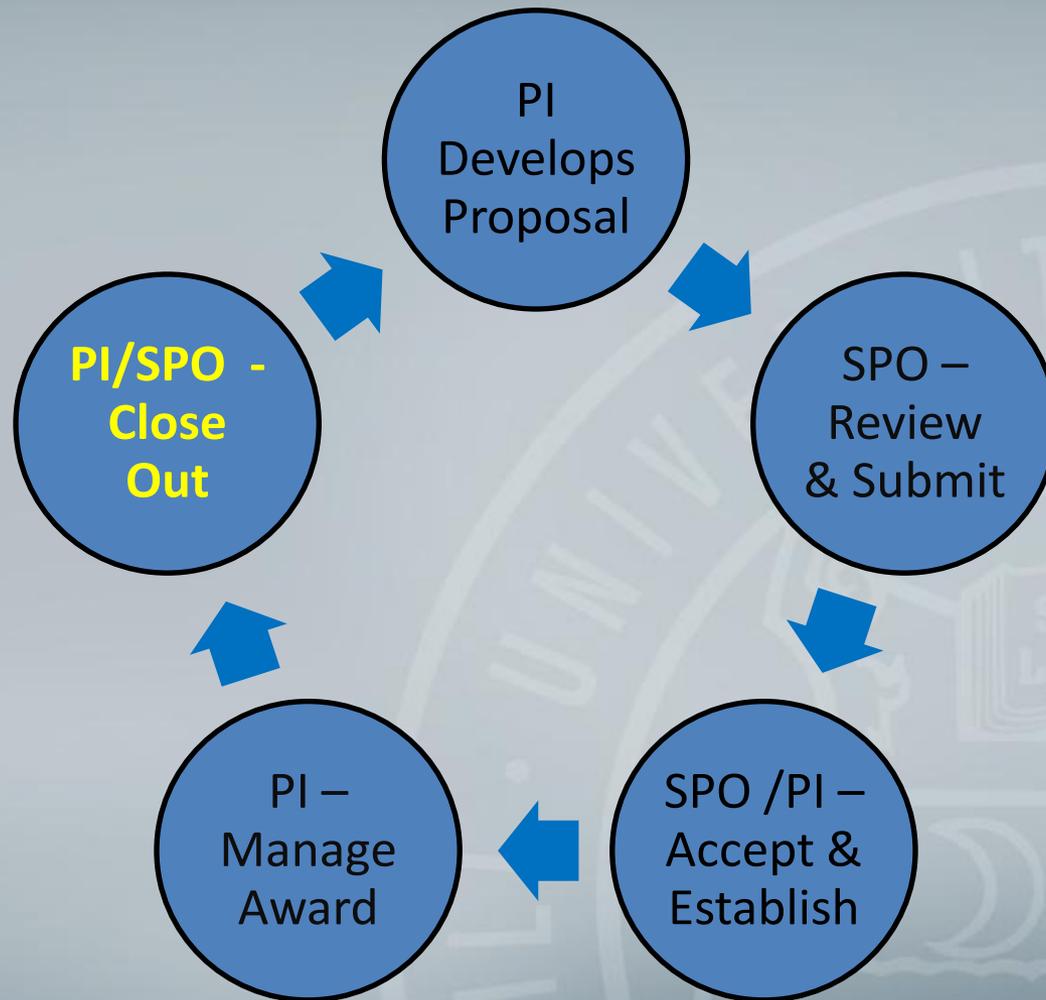 - Sponsored Programs Office (SPO)

Definitions

- <u>Notice of Grant Award (NGA)</u> – Legal document of an award outlining all terms and conditions.

- <u>Period of Availability</u> – The official start and end dates of the sponsored award.

- <u>Reporting Period</u> – Time period from the end of the period of availability until the due date for all final reports.

Definitions

- <u>Principal Investigator</u> (PI/Co-PI) – Named by sponsor on award document with **overall** responsibility to manage the award.

- <u>Research Administrator</u> – Individual assisting PI with the fiscal management of an award.

- <u>Sponsored Programs Office (SPO)</u> – Campus office to manage administrative duties and monitor compliance related to sponsored awards.

Award Cycle

PI Develops Proposal

SPO – Review & Submit

SPO /PI – Accept & Establish

PI – Manage Award

PI/SPO - Close Out

PI Responsibility – Final Review

- Ensure all costs charged to award are:
  - Allowable
  - Within period of availability
  - Documented
- Outstanding charges identified
  - P-card
  - Feeder systems (e.g. telecommunication)
- Deficits must be cleared
- Cost transfers timely made

PI Responsibility – Final Review

Ensure compliance requirements met for:

- Committed Effort - PI and key individuals
  - PI - 25% reduction in effort or 3 month absence
  - Significant changes of key individuals
- Subawards – final invoices and deliverables received
- Cost sharing commitments
  - Mandatory <u>and</u> voluntary
  - Changes in category of cost share from award
- Other requirements per award agreement
  - Program income

PI Responsibility – Final Review

PI Responsibility - Administrative

- Update payroll distribution (PAFs)
- Cancel P-cards and feeder systems
- Retain documents for required period
  - PI retains scientific data
  - Department retains transactional data
- Return non University owned assets to sponsor

Research Administrator Responsibility

SPO Responsibility - Final Review

- Works with unit to closeout award

- High level compliance review to ensure:

    - Terms and conditions met

    - Subaward invoices received and paid

    - Deficits cleared

    - Technical report completed

    - Reasonableness of cost transfers

    - Costs are allowable and inline with budget

SPO Responsibility - Administrative

- Submission of final invoice to sponsor
  - Excess funds de-obligated
  - Reconciliation of program income
- Documentation for permanent file
  - Proposal, Award, Effort Verification Reports
- Confirm non owned assets returned to sponsor
- Complete transfers on fixed price contracts
- Inactivate project in financial system
- Submits final financial report to sponsor

Impact of Noncompliance

- Potential A-133 audit issue – part of terms and conditions of award

- Inability to collect on final invoice, due to:
  - Delay in subaward invoices
  - Incomplete costs (feeder systems)

- Current proposals may be suspended

- Jeopardize opportunities for future awards

Concluding Points

- All terms and conditions of the award must be met.

- Responsibilities for final reporting
  - PI – technical other programmatic reports
  - SPO – financial, equipment, and intellectual property reports and invoice

References to University Policies

- Accounting Policy and Procedures Manual (APMs):
  - 60.07 – Allowable Costs and Cost Principles
  - 60.07.01 – Certification of Allowable Costs
  - 60.20 – Closing Sponsored Awards
  - 20.25 – Non University Owned Equipment
- Business Policy Manual (BPM):
  - 213 – Correction of Income & Expense Items

Additional Information

- [Financial Compliance Training](#) website:

  - Online training materials

  - Roles and Responsibilities

  - Reference Guide for Sponsored Programs

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